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THE 3RD ANNUAL GRADUATE STUDENT SEMINAR:
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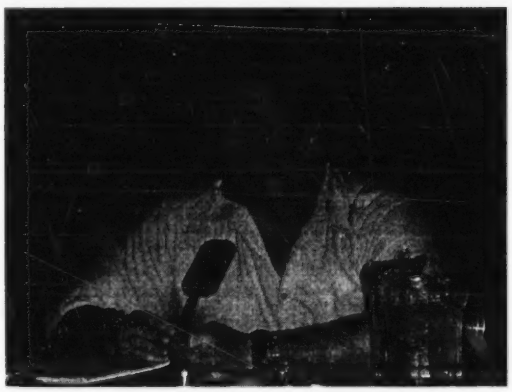

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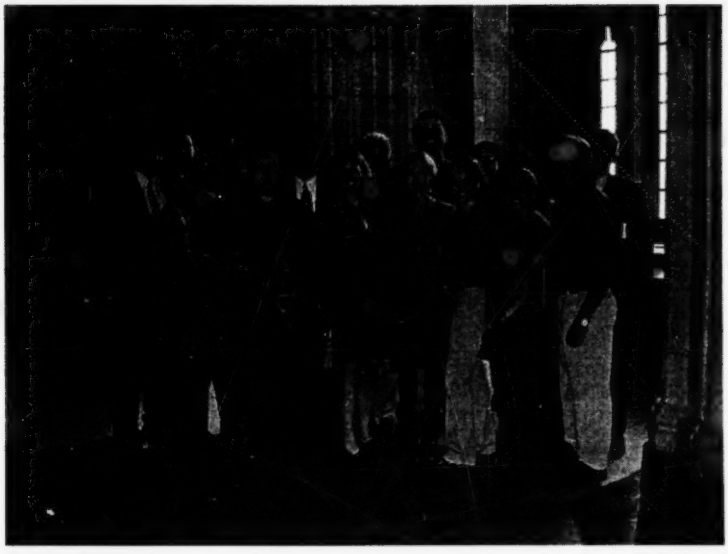
Graduate Students, 2001



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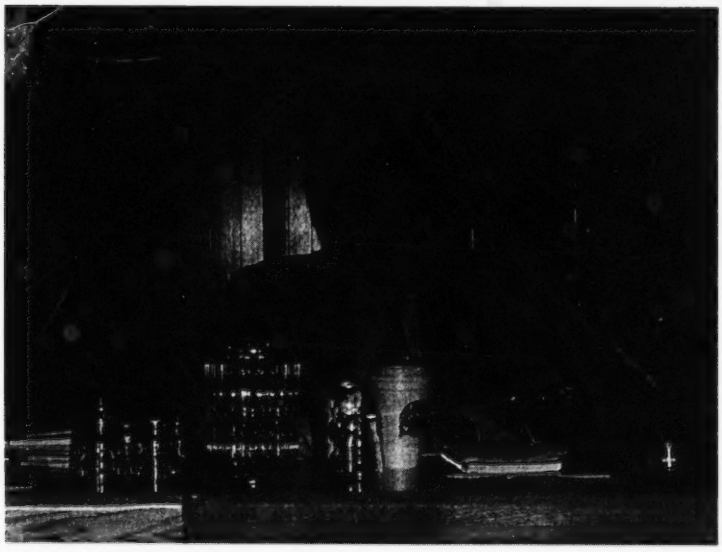

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The 3rd Annual Graduate Student Seminar:
Canada – U.S. Relations

April 30 – May 4, 2001
Ottawa

ABSTRACTS AND BIOGRAPHIES

Adam Chapnick, University of Toronto, Toronto, Ontario

Inevitable Co-dependency:
The Grandy Report on Canadian-American Relations, 1951-?

Abstract

In 1951, in the midst of the Korean War, Canada's Secretary of State for External Affairs Lester B. Pearson commissioned a comprehensive report on Canadian-American relations. The project was never completed, and neither it, nor the documents that formed its general framework were ever published. Not surprisingly, the significance of the Grandy Report has been neglected.

This paper explores the Report's relevance to the past, present and future of Canadian foreign policy. It concludes that, as the Cold War developed, Ottawa's fate became tied inevitably to that of Washington in a relationship of mutual dependence, or co-dependency. Since the Second World War, the United States has tended to exercise power through statements and actions; sometimes, Canadian power can best be understood with reference to those things left unsaid.

Biography

Adam Chapnick is a doctoral candidate in history at the University of Toronto with a research emphasis on the history of Canadian external relations. He has published articles in *International Journal* and *Canadian Foreign Policy*. Current research interests include the impact of the human security agenda on the foreign policy process and role of nationalism in shaping the Canadian identity. He has an MA in international affairs from Carleton University's Norman Paterson School of International Affairs and a BA in history and English literature from Trent University.

David Jessup, University of Alaska Fairbanks, Fairbanks, Alaska

American Consular Diplomacy in the Klondike, 1898-1901

Abstract

At the turn of the twentieth century, the Klondike gold rush precipitated an unprecedented influx of Americans into the Canadian north. Nationalism in both Canada and the U.S. was on the rise, and the Dominion was quick to assert Canadian sovereignty in the Yukon in the face of American encroachment. Despite recent scholarship downplaying the American character of the Klondike gold rush community, few examples better illustrate American nationalism in the

Yukon than the turbulent tenure of the first U.S. Consul in Dawson City. Although he worked diligently in the interest of U.S. citizens, Consul James C. McCook's embarrassing public battle with the American editor of a Dawson newspaper demonstrated the ability of the press to stir American nationalist sentiment by attacking the dignity of the only U.S. official in what was essentially an American town on Canadian soil.

Biography

David Jessup is completing his MA in Northern Studies at the University of Alaska Fairbanks, where he has focused his research on Alaskan history and the diplomatic history of the circumpolar north. A native of the San Francisco Bay Area, he holds a BA in Political Science and History from Rice University and will begin work toward a doctorate this fall.

Rajeev Venugopal, Carleton University, Ottawa, Ontario

Canadian Foreign Policy and the 'Human Security' Paradigm: Engaging Modern Canada -U.S. Relations

Abstract

The end of the Cold War altered understanding of international security and foreign policy. Although classical approaches to international relations viewed stable states as the primary enabling factors in international security, acts of atrocity in Rwanda and the former Yugoslavia demanded that foreign policy practitioners reexamine how unnecessary human suffering *within* sovereign states could be prevented. From critical analysis of the international security architecture emerged the "human security" concept, which holds security is best realized when we safeguard human rights, individual protection from threats of violence or environmental degradation and dignity of life.

Despite mounting literature on the theory of human security, there is a conspicuous shortage of academic and scholarly works on *how* to operationalize human security in Canada's bilateral relations. This paper to be presented to the 3rd Annual Graduate Students Seminar seeks to examine the utility of human security in Canada-US relations by identifying opportunities to engage government-to-government relations and areas where advancement of human security may hinder foreign policy objectives. What should be the priorities and mechanisms for Canada-US cooperation on human security in North America and around the world? How should Canadian and American government agencies, non-governmental organizations and civil society groups participate in this process, and how should the two countries identify bases for partnership? This paper seeks to stimulate discussion and debate regarding methods of giving relevance to human security in Canada-US relations.

Biography

Rajeev Venugopal holds a Bachelor's degree in Political Science from the University of New Brunswick in 1994 and a Master's degree in International Politics from the University of London, School of Oriental and African Studies (SOAS) where he studed as a Commonwealth Fellow. He started his PhD in Political Science at the University of Toronto in 1995 as SSHRCC holder, and is now writing his dissertation at Carleton University, where under Dr. Elliott

Tepper, he is investigating conceptual lenses though which to conceptualize the future of Canada-India relations.

Since 1997, Rajeev has held full-time employment as a researcher and policy analyst for Her Majesty's Loyal Opposition in the Senate, and was a candidate during the 2000 federal elections in his home province of New Brunswick. A passionate political affairs observer, he has also written a regional newspaper column, contributed to *Policy Options* journal and continues to make editorial submissions. In his spare time, Rajeev enjoys running with his wife, daughter and dog, fishing, and training the martial arts of karate and aikido.

Chantal Robichaud, Université du Québec à Montréal, Montreal, Quebec

Les valeurs canadiennes: fins ou moyens de la politique étrangère?
[Canadian values: ends or means in foreign policy]

Abstract

This paper presents the contradictions between the goals of economic liberalism and openness with regard to trade and the means the Canadian government uses to ensure its sovereignty and security. As integration projects launched by the United States increasingly erode the individuality of other countries, it will be interesting to see if, and how, Canada will succeed in avoiding this and maintaining its identity and advantages in trade negotiations with its neighbour. The paper will show how promotion of the democratic, liberal, human, and other values that are attributed to Canadian societies can become a tool used mainly for ensuring this economic security rather than as a means of disseminating these values globally .

Biography

Chantal Robichaud is a master's student in political science at the Université du Québec à Montréal. She is interested in the theory of international relations and international economics, but also, in her personal research, in questions of security in Canadian foreign policy. She works as a research assistant at the Centre d'études des politiques étrangères et de sécurité (CEPES) and in the Groupe de recherche en économie et sécurité (GRES) at UQAM. She also holds an administrative position at CEPES and was an intern at the The Lester B. Pearson Canadian International Peacekeeping Training Centre.

Denis Michaud, University of Ottawa, Ottawa, Ontario

Du libre-échange à une intégration plus poussée: Les acteurs étatiques canadiens et l'élaboration de politiques publiques impliquant un État étranger
[From free trade to greater integration: Canadian governmental players and design of public policies involving a foreign state]

Abstract

The weak Canadian dollar compared to the American dollar is a concern for many in Canada's economic, political and university circles. Maintaining that a weak currency negatively affects quality of life, investment and economic sovereignty, Canadians have suggested new steps towards integrating Canada into the United States' economic market. Ranging from a customs union to adoption of a common North American currency, these proposals likely mean

there will be renewed debate on the "Americanization" of Canada in the coming years. This paper will show that such pressures lead to particular behaviour by representatives of Canada's federal government, because implementing the proposed solutions requires international negotiation between two countries of unequal strength. The paper will refer to recent cases of international negotiations to assess the behaviour of governmental representatives when working out public policies involving a foreign state. The paper will argue that, in this kind of situation, the Government of Canada is forced to act in an authoritarian way and to impose its preferences on Canadian civil society because its economic agenda is largely set in terms of pressure from the United States.

Biography

Denis Michaud is in the second year of a doctoral program in political science at the University of Ottawa. His research interest is in economics and the role of political élites in Canada. He has an MA in political science from Laval University (1999) and a BA in social sciences, with a specialization in political science, from Moncton University (1997). Denis took part in the UN's National Model United Nations in New York (1998) and Boston (1996), and was academic vice-president of the student federation at Moncton University, Moncton Campus (1996-1997). He has worked as a legislative assistant in the Canadian Parliament and as a researcher in the contracting branch of the Quebec government's Treasury Board secretariat, and in the Office of the Official Opposition in the Government of New Brunswick.

Daniel Wilson, Simon Fraser University, Burnaby, British Columbia

Canada's Unwarranted Reluctance: Facts and Myths About National Missile Defence

Abstract

The ultimate deployment of some variety of ballistic missile defence (BMD) seems likely given the enthusiastic endorsement provided by leading figures in the current Bush administration. Secretary of State Colin Powell and Secretary of Defense Donald Rumsfeld have frequently reiterated the administration's determination to deploy National Missile Defense (NMD). This momentum has encouraged many analysts to believe that the overriding question surrounding the BMD debate is no longer whether to deploy but what to deploy. The seeming inevitability of deployment does not, however, diminish the significance of the concerns raised by opponents of BMD. The technological hurdles pertaining to the nature of mid- course interception remain. Opponents of BMD have suggested that the deployment of NMD could trigger a negative response from Chinese and Russian decision- makers in the form of a renewed arms race. In this paper I will demonstrate that a multi- layered system, consisting of a limited NMD and forward deployable boost- phase intercept (BPI) systems, could effectively meet the criteria of addressing the threat posed by the proliferation of ballistic missiles without jeopardizing international stability.

Biography

I am currently completing my Masters of Arts in political science at Simon Fraser University. My research interests have included Canadian foreign and defence policies, international security issues and arms control. Of particular interest are the areas of deterrence

theory and strategic studies. While completing my undergraduate studies at Simon Fraser University I participated in an official student exchange with the University of Dundee, Scotland. While attending the University of Dundee I focussed my studies on post- Cold War Russian foreign policy, contemporary Eastern European history and the structures and policies of the European Union.

Christian Leuprecht and Christopher McCreery, Queen's University, Kingston, Ontario

Imperial Defence: a Canadian Heritage Moment Replayed.
Will Star Wars sink the Canadian battleship?

Abstract

The similarities between the current Canadian debate on National Missile Defence and the arguments presented during the debate on the 1910 Naval Bill are striking. Re-framing the current debate in light of that Bill will allow us situate the current debate in the larger context of preserving Canada sovereignty under the ongoing pressures of continentalism. On the surface, the NMD debate, just like the debate in 1911, appears to be about a benign facet of Canadian defence policy. In fact, the debate is so controversial because it touches a far more sensitive nerve: the impact Canada's stance on NMD will have on Canadian sovereignty and independence. Canada thus finds itself at a political crossroads: reinforce Canadian sovereignty by balancing economic integration with political autonomy or further undermine it by succumbing to the hemispheric pressures for economic and now increased political integration. The question is what balance a middle power like Canada needs to strike between integration and autonomy in order to optimize its sovereignty.

Biographies

Born and raised in Germany and Kuwait, **Christian Leuprecht** is an adjunct professor in the department of political science and economics at the Royal Military College of Canada, a SSHRC doctoral fellow, a Queen`s University W.C. Good fellow, and a member of the Centre for the Study of Democracy in the Department of Political Studies at Queen's University where he is currently writing his dissertation in political theory entitled "Demographics of Conflict" under the direction of Will Kymlicka. He holds Master's degrees in political science from the Institut d'Études Politiques at the Université Pierre Mendès-France in Grenoble, France as well as the University of Toronto. Previously, he completed a degree in French literature at the University of Toronto where he also read for his B.A.

Christopher McCreery is a doctoral candidate in the Department of History at Queen`s University where also read for his M.A after having completed his undergraduate degree in history at the University of Western Ontario. He is writing his dissertation on the evolution of the notion of citizenship in Canada under the direction of Ian McKay. Christopher has organized several conferences and is an avid supporter of the Queen`s Model United Nations and the Queen`s International Affairs Association. As the Canada's foremost expert on honours, he recently intervened in a case before the Supreme Court of Canada. He is also in a process of editing the correspondence of Canada's second Prime Minister, Alexander McKenzie, to be published with the University of Toronto Press.

Eric Haché, Moncton University, Moncton, New Brunswick

NORAD: current benefits and outlook for the future

Abstract

In World War II, Canada and the United States realized the importance of military co-operation to protect North American territory. This co-operation continued after the war and even increased to respond to the requirements of the bipolar world system during the Cold War. In 1958, Canada and its neighbour to the south signed the North American Air Defence Agreement (NORAD), which integrated control of the Canadian and American air forces under a joint North American air command. Since it was first signed, the agreement has been continually extended; its most recent renewal was signed on June 16, 2000. By studying the benefits and the background of this bi-national co-operation, this paper will attempt to identify and analyse the current advantages and the outlook for the future that NORAD offers Canada. With respect to both cost and effectiveness, this agreement provides a number of benefits, but also some challenges, and it calls for a greater commitment on Canada's part.

Biography

Originally from Caraquet, on New Brunswick's Acadian peninsula, I now live in Moncton, where I am a first-year master's student in public administration at Moncton University. Prior to beginning my master's studies, in May 2000 I received a BA from Moncton University (major in history, minor in classical music). My areas of interest are contemporary international history, national defence, international relations, and current events in general. A music enthusiast, with a university concentration in music, I have played classical guitar for many years. Thanks to my history training, I have worked for the Société historique Nicolas-Denys as an archivist and as co-ordinator of the work team for the past two summers.

Sean McMahon, University of Alberta, Edmonton, Alberta

Canada, the U.S. and the Oslo Process: Building Middle East Peace

Abstract

The current violence and resistance in Israel/Palestine has claimed hundreds of lives. The regional and international instability that attends the uprising poses two questions of particular salience to Canadian foreign policy: how would a change in Canadian foreign policy toward Israel/Palestine affect Canada-U.S. relations, and what would such a change mean for future Canadian relations with other international actors? I hypothesize that a change in Canadian foreign policy intended to engender stability in Israel/Palestine would not adversely affect Canada-U.S. relations. Furthermore, a Canadian policy that attempted to actualize the doctrine of human security in Israel/Palestine by encouraging greater international involvement in a post-Oslo Middle East peace process would be endorsed by such varied parties as Russia, China and members of the European Union. I conclude the paper with 3 suggestions for architects of Canada's Middle East policy: Canada must 1) consistently actualize the norm of human security in Israel/Palestine; 2) urge an abandonment of the Oslo process; and 3) internationalize a post-Oslo Middle East peace process.

Biography

Sean McMahon is a Ph.D. candidate in the Department of Political Science at the University of Alberta. Current research interests include the Oslo process and Palestinian-Israeli negotiations, post-colonial and -structural theory, development of Canadian foreign policy and UN reform. His dissertation challenges the hegemonic understanding that sees the Oslo process (the bilateral negotiations between Palestinians-Israelis) as a peace process. Instead, his research conceives of the Oslo process as a regime of control that would inevitably provoke resistance the sort of which is now being manifested in Israel/Palestine. He furthered this research by accepting the inaugural Thomas O. Hecht fellowship in 2000. This allowed him to conduct research in Israel/Palestine while a fellow at the the BESA Center for Strategic Studies at Bar-Ilan University, Tel-Aviv, Israel.

Jamie Campbell, University of Northern British Columbia, Prince George, British Columbia

Partners Against Crime: The Need for Greater Co-operation Between Canada and the United States in Efforts to Combat and Control Transnational Organised Crime

Abstract

In recent years, there is a growing concern over the growth of transnational organised crime between Canada and the U.S. It is a concern that is gaining considerable attention in Canada, and has become a national security matter in the U.S. Both countries have begun operations to combat the various forms of transnational organised crime. Until recently, however, there was little co-operation between the governments of Canada and the U.S. To effectively combat and control the flow of organised crime across their common border, greater co-operation is needed between not only the Canadian and American governments, but also between those government agencies directly responsible for dealing with the problem of transnational organised crime. This seminar paper will examine how greater co-operation between Canada and the U.S. will lead to more effective combat and control of transnational organised crime.

Biography

I earned my BA in International Studies from the University of Northern British Columbia in 2000. My studies predominantly focussed on Canadian foreign relations and security studies. These studies led to my interest in non-traditional security threats, particularly transnational organised crime. I am currently working towards my MA in International Studies at UNBC. My thesis will examine the threat of transnational organised crime and how governments cooperate to combat it. My thesis will focus on the governments of the Pacific Rim countries.

Tammy Nemeth, University of British Columbia, Vancouver, British Columbia

Energy Wars and Canadian-American Relations, or, Lessons from History

Abstract

This paper proposes that in order to respond to and deal with a potential energy war between Canada and the United States, it is necessary to understand the historical dimension of previous energy conflicts between the two neighbours. What is the Canadian-American record for settling bi-national energy wars? What can we learn from history that will inform and guide the decisions for today? This study will examine the similarities and differences between past and present circumstances and policy options with respect to Canadian-American energy relations. The discussion will take into consideration the changing influence of the explanatory variables of economics, ideas, international forces and interest groups. The analysis will outline Canadian-American energy relations in four sections: Pierre Trudeau and the first energy crisis, 1974 to 1979; the second energy crisis and the Trudeau National Energy Program, 1980 to 1984; Canadian deregulation under Brian Mulroney; and finally, where the Canadian-American energy relationship is now and why. The goal is to provide a clearer understanding of the process and priorities of each country with respect to vital resources, and how these policies have been, and are, manifested in the Canadian-American relationship.

Biography

Tammy Nemeth is a Ph.D. student in the Department of History at the University of British Columbia in Vancouver, B.C. Her areas of interest include energy policy, post war Canadian and American relations, foreign policy, government organization, and policy development. She completed her Master of Arts in History at the University of Alberta, and has a Bachelor of Arts (Honours) in History from the University of Regina. Her publications include "Pat Carney and the Dismantling of the National Energy Program," Past Imperfect, Vol.7, 1998: 87-123, and "Continental Drift: Conservative Energy Policy and Canadian-American Relations," in Diplomatic Departures? The Conservative Era in Canadian Foreign Policy, 1984-1993, eds. Kim Richard Nossal and Nelson Michaud (Vancouver: UBC Press, Forthcoming Fall 2001), Chapter 4.

Andrew Mathewson, Royal Roads University, Victoria, British Columbia

Asserting Aboriginal and Treaty Rights: First Nation's Rights to Natural Resources; Transboundary Challenges for Canada – U.S. Relations

Abstract

In the free trade era, economic relations between Canada and the United States are characterized by on-going negotiations and management of risk. Disputes over softwood lumber or pacific salmon illustrate inherent differentials in political power and economic advantage and the accommodations necessary in the trade and management of national and transboundary resources. Added to the already complex and changing dimensions of this relationship are similar dynamics emerging between federal and provincial governments and First Nations asserting their Aboriginal and treaty rights to share in the continent's resources. Increasingly, First Nations can point to the potential liability of excluding them from the negotiating table. This paper surveys

some of the recent and historical events, documents and legal decisions supporting First Nations' claims in Canada, focussing mainly on consideration of conflict management approaches and mechanisms to understand and address associated risk management issues and challenges for Canada and the United States.

Biography

Andrew Mathewson is completing a Master of Arts in Conflict Analysis and Management at Royal Roads University. His major project thesis focuses on application of "sustained dialogue", a pre-negotiation approach, to assist in protracted First Nations - federal/provincial conflict. He holds a Graduate Certificate in Conflict Resolution from Carleton University and Honors BA in History from the University of Western Ontario. Andrew has worked on domestic peacebuilding and Aboriginal self governance projects and issues for the past ten years, specializing in conflict management systems design at a community development and national level. Andrew is a resident of Ottawa.

Gabrielle Slowey, University of Alberta, Edmonton, Alberta

America, Canada and ANWR: Inter-state relations and Indigenous struggles

Abstract

As Canada and the United States debate the merits of energy extraction in the Alaska National Wildlife Refuge (ANWR), America focuses on resolving a domestic energy crisis while Canada concentrates on protecting the environmental integrity of the region. But how do these inter-state disputes affect people at the local level? This paper asserts that the American and Canadian positions are best understood when viewed through the lens of local indigenous struggles. This is significant because it reveals the extent to which American-Canadian relations and local indigenous struggles are conjoined in today's global economy, and how they are shaped by the finite availability of natural resources and global environmental concerns. Beginning with a review of the current thrust of American foreign and domestic policies, this paper considers the state of American-Canadian Arctic relations. Next, this paper shifts the focus to the local level and explores the nature of the discord located in the pro-development forces of the Inupiat and the anti-development concerns of the Vuntut Gwitchin. Finally, this paper posits that a new nationalistic orientation in American policy-making may irreparably damage Arctic harmony and ecology. Through this analysis, insights into what factors may contribute to, or detract from, the future of Canada-U.S. Arctic relations are also evoked.

Biography

Gabrielle Slowey is a Ph.D. Candidate in the Department of Political Science at the University of Alberta in Edmonton, Alberta. In her doctoral dissertation, Aboriginal Self-Determination in the New Canadian Political Economy: The Case of the Mikisew Cree First Nation, she investigates the effect oil development and government devolution of programs and services have on the self-determination ambitions of the Mikisew Cree First Nation in Northern Alberta. She earned her M.A. in Political Science at the University of New Brunswick and she received her B.A. in Political Science and French from the University of Toronto. Recent publications include "Globalization and the Dispossessed: Impacts and Implications for

Aboriginal Peoples and Self Government in Canada" (American Review of Canadian Studies 31(1) Spring, 2001) and "Neoliberalism and the Project of Self-Government", in Citizen or Consumers?: Social Policy in a Market Society (Dave Broad and Wayne Antony, eds. Halifax: Fernwood Press , 1999).

Ryan Mitchell Doig, University of Calgary, Calgary Alberta

Protecting Canadian Culture in an Era of Globalization: The Case of Split-Run Magazines

Abstract

American cultural products (films, books, television broadcasts, and periodicals) have found a large receptive audience in Canada and Canadian cultural industries have been forced to compete for the attention of their domestic audience. In order to ensure that Canadians have viable vehicles for self-expression and that Canadian views are heard, the Canadian government has long employed a variety of domestic policy instruments to protect and promote its cultural industries. However, as the recent Canada-US confrontation over split-run magazines has illustrated, advances in information technology and liberalized trade rules have posed a challenge to Canada's approach toward cultural protection. Electronic transmission has reduced the regulatory significance of national borders and international trade agreements have limited the ability of states to restrict trade. Both factors effectively contributed to the unraveling of Canada's long-standing policies to protect its magazine industry when in 1997 the World Trade Organization deemed these policies inconsistent with its international obligations. Canada may want to take a more proactive approach in future trade discussions, perhaps working with others to carve out a special status for culture rather than solely relying on keeping culture 'off the table'.

Biography

I am currently finishing my course work in the Masters of Political Science program at the University of Calgary. My present research projects are focussed on US National Missile Defence as well as Canadian cultural protection within the context of the Canada-US relationship. Prior to beginning my Masters Study, I spent four months in Washington DC taking part in The Washington Center's NAFTA Internship Program. My internship position was with the Canadian Embassy.

Nina Rabinovich, The Fletcher School of Law and Diplomacy, Tufts University, Medford, Massachusetts

Anne of Green Gables meets Ally McBeal:
Managing the Canadian and American approaches to cultural policy

Abstract

In recent years, the Canada-United States trade landscape has been spotted with disputes in the cultural arena. Viewing Canadian and American cultural policies as logical outgrowths of the respective national definitions of "culture", this paper seeks to explain the causes of these trade disputes and questions whether it is possible for Canada and the US to reconcile their

clashing approaches to cultural policy. Ulitmately, a realistic answer is that their differences in approach potentially may be managed, but harmonisation of Canadian and American cultural policy interests is unlikely. This paper concludes with an exploration of several multilateral routes which Canadian and American policy makers might follow in order to promote better-managed cultural policy approaches.

Biography

Nina Rabinovitch is pursuing a Master's degree at The Fletcher School of Law and Diplomacy, Tufts University. Her areas of interest include International Political Economy and International Trade. Her thesis will explore the dynamics of common currency areas and the prospect of dollarization in the Americas. She graduated from the Arts & Science Programme at McMaster University in April 2000. Work experience includes internships at the Organisation of American States in Washington, DC, and at the Department of Canadian Heritage. Nina, an Ottawa native, will be employed this summer at the Department of Foreign Affairs and International Trade in the Trade Policy Planning section.

Troisième Séminaire annuel des étudiants diplômés :
les relations Canada – États-Unis

Du 30 avril au 4 mai 2001
Ottawa

SOMMAIRES ET BIOGRAPHIES

Adam Chapnick, Université de Toronto, Toronto (Ontario)
Une inévitable codépendance :
le rapport Grandy sur les relations canado-américaines, 1951-? [traduction]

Sommaire

En 1951, en pleine guerre de Corée, le secrétaire d'État aux Affaires extérieures du Canada, M. Lester B. Pearson, a commandé un rapport complet sur les relations canado-américaines. Le projet n'a jamais été mené à terme ni publié, pas plus que les documents qui ont servi d'assises à son cadre général. Comme cela était à prévoir, l'importance du Rapport Grandy a été négligée.

Dans ce document, on étudie la pertinence du Rapport pour le passé, le présent et l'avenir de la politique étrangère du Canada. On conclut que, à mesure que la guerre froide s'est intensifiée, le destin d'Ottawa est devenu inévitablement lié à celui de Washington par une relation de dépendance mutuelle ou de co-dépendance. Depuis la Deuxième Guerre mondiale, les États-Unis ont eu tendance à exercer leur pouvoir par des déclarations et des actions, tandis que, parfois, le pouvoir du Canada peut être mieux compris par ce qu'il a choisi de ne pas dire.

Biographie

Adam Chapnick est candidat au doctorat en histoire à l'Université de Toronto et il focalise son étude sur l'histoire des relations extérieures du Canada. Il a publié des articles dans le International Journal et La politique étrangère du Canada. Parmi les intérêts de l'étude actuelle, mentionnons l'incidence du programme d'action pour la sécurité humaine sur le processus de politique étrangère et le rôle du nationalisme dans la détermination de l'identité canadienne. Il a obtenu une maîtrise en affaires internationales de la Norman Paterson School of International Affairs de l'Université Carleton et un baccalauréat en histoire et en littérature anglaise de l'Université Trent.

David Jessup, Université d'Alaska Fairbanks, Fairbanks (Alaska)
Diplomatie consulaire américaine au Klondike, 1898-1901 [traduction]

Sommaire

Au tournant du vingtième siècle, la ruée vers l'or du Klondike a précipité un afflux sans précédent d'Américains dans le Nord canadien. Le nationalisme tant canadien qu'américain était à la hausse, et le dominion a rapidement revendiqué la souveraineté canadienne au Yukon devant

l'empiétement des Américains. Malgré les récentes connaissances plus poussées qui amenuisent le caractère américain de la communauté des prospecteurs du Klondike, peu d'exemples illustrent mieux le nationalisme américain au Yukon que le poste controversé du premier consul américain à Dawson City. Bien que ce dernier ait accompli ses fonctions de façon diligente dans l'intérêt des citoyens américains, la lutte publique gênante du consul James C. McCook contre le rédacteur américain d'un journal de Dawson a démontré le pouvoir qu'a la presse de remuer le sentiment nationaliste américain en attaquant la dignité du seul fonctionnaire américain dans ce qui était essentiellement une ville américaine en sol canadien.

Biographie

David Jessup termine sa maîtrise en études nordiques à l'Université d'Alaska Fairbanks, où il cible son étude sur l'histoire de l'Alaska et l'histoire diplomatique du Nord circumpolaire. Originaire de la région de San Francisco Bay, il détient un baccalauréat en science politique et en histoire de l'Université Rice et cheminera vers le doctorat cet automne.

Rajeev Venugopal, Université Carleton, Ottawa (Ontario)

La politique étrangère canadienne et le paradigme de la « sécurité humaine » : vers des relations modernes Canada – États-Unis [traduction]

Sommaire

La fin de la guerre froide a altéré la compréhension de la sécurité internationale et de la politique étrangère. Même si les approches classiques aux relations internationales considéraient les États stables comme les principaux facteurs habilitants de la sécurité internationale, les actes d'atrocité commis au Rwanda et dans l'ex-Yougoslavie ont poussé les praticiens de la politique étrangère à revoir comment il est possible de prévenir la souffrance humaine non nécessaire dans les États souverains. Une analyse critique de l'architecture de la sécurité internationale a fait ressortir le concept de « sécurité humaine », selon lequel la sécurité est la mieux assurée quand nous protégeons les droits de la personne, les individus contre les menaces de violence ou de dégradation de l'environnement et la dignité de la vie.

Malgré la multiplication des documents sur la théorie de la sécurité humaine, il y a un manque flagrant de travaux universitaires et spécialisés sur comment opérationnaliser la sécurité humaine dans les relations bilatérales du Canada. Le présent document, qui sera présenté au Troisième Séminaire des étudiants diplômés, se penche sur l'utilité de la sécurité humaine dans les relations Canada – États-Unis en repérant des possibilités d'amorcer des relations intergouvernementales et des secteurs où l'avancement de la sécurité humaine peut faire obstacle aux objectifs de politique étrangère. Quels devraient être les priorités et les mécanismes de collaboration Canada – États-Unis en matière de sécurité humaine en Amérique du Nord et ailleurs dans le monde? Quelle devrait être la participation des organismes gouvernementaux canadiens et américains, des organisations non gouvernementales et des groupes de la société civile dans ce processus, et comment les deux pays devraient-ils établir les bases d'un partenariat? Ce document vise à stimuler la discussion et le débat entourant les façons de justifier la pertinence de la sécurité humaine au sein des relations Canada – États-Unis.

Biographie

Rajeev Venugopal obtient un baccalauréat en science politique de l'Université du Nouveau-Brunswick en 1994 et une maîtrise en politique internationale de la School of Oriental and African Studies (SOAS) de l'Université de Londres, où il a étudié comme boursier du Commonwealth. Il a commencé son doctorat en science politique à l'Université de Toronto en 1995 à titre de boursier du CRSH du Canada, et il rédige maintenant son mémoire à l'Université Carleton où, sous le mentorat de M. Elliott Tepper, Ph. D., il étudie des lentilles conceptuelles par lesquelles on pourrait conceptualiser l'avenir des relations entre le Canada et l'Inde.

Depuis 1997, Rajeev occupe un emploi à temps plein comme chercheur et analyste des politiques pour La loyale Opposition de Sa Majesté au Sénat; il était candidat aux élections fédérales 2000 dans sa province natale, au Nouveau-Brunswick. Observateur passionné des affaires politiques, il a été chroniqueur dans un journal régional, il a contribué au journal Policy Options et continue de présenter des éditoriaux. Dans ses temps libres, Rajeev aime la course à pied avec sa femme, sa fille et leur chien, il aime la pêche et enseigner les arts martiaux, soit le karaté et l'aïkido.

Chantal Robichaud, Université du Québec à Montréal, Montréal (Québec)

Les valeurs canadiennes : fins ou moyens de la politique étrangère

Sommaire

Cette communication présente les contradictions entre les objectifs de libéralisme économique et d'ouverture au niveau commercial et les moyens que se donne l'État canadien pour assurer sa souveraineté et sa sécurité. En effet, comme les projets d'intégration lancés par les États-Unis laissent de moins en moins de place aux spécificités nationales des autres États, il est intéressant de voir si et comment le Canada parvient à se démarquer et à entretenir son particularisme et ses atouts dans les négociations commerciales qu'il effectue avec son voisin. Nous verrons donc en quoi la promotion des valeurs démocratiques, libérales, humaines, etc., que l'on attribue aux sociétés canadiennes peut devenir un instrument servant avant tout à assurer cette sécurité économique plutôt qu'un moyen de diffusion de ces valeurs au niveau global.

Biographie

Chantal Robichaud est étudiante à la maîtrise en science politique de l'Université du Québec à Montréal. Ses intérêts portent sur la théorie des relations internationales et l'économie politique internationale mais aussi, dans le cadre de ses recherches personnelles, sur les questions de sécurité en politique étrangère canadienne. Elle travaille comme assistante de recherche au Centre d'études des politiques étrangères et de sécurité (CEPES), de même qu'au Groupe de recherche en économie et sécurité (GRES) de l'UQAM. Elle occupe également un poste à l'administration du CEPES et a été stagiaire au Centre Lester B. Pearson pour la formation en maintien de la paix.

Denis Michaud, Université d'Ottawa, Ottawa (Ontario)

Du libre-échange à une intégration plus poussée: Les acteurs étatiques canadiens et l'élaboration de politiques publiques impliquant un État étranger

Sommaire

La faiblesse du dollar canadien par rapport au dollar américain inquiète une bonne partie des milieux économiques, politiques et universitaires du Canada. Soutenant qu'une monnaie faible apporte des effets négatifs sur le niveau de la qualité de la vie, sur les investissements et sur la souveraineté économique, des Canadiens ont proposé de procéder à de nouvelles étapes dans l'intégration du Canada au marché économique des États-Unis. Allant d'une union douanière à l'adoption d'une monnaie nord-américaine commune, ces propositions laissent présager de nouveaux débats sur « l'américanisation » du Canada durant les prochaines années. Notre présentation montrera que de telles pressions entraînent un comportement particulier de la part des représentants du gouvernement fédéral du Canada, car la mise en œuvre des solutions proposées nécessite une négociation internationale entre deux acteurs étatiques de force inégale. Nous nous référerons à des cas récents de négociations internationales pour évaluer le comportement des représentants de l'État lors de l'élaboration de politiques publiques impliquant un État étranger. Nous argumenterons que, dans ce type de situation, le gouvernement du Canada est contraint d'agir de façon autoritaire et d'imposer ses préférences à la société civile canadienne puisque son agenda économique est largement fixé en fonction des pressions venant du gouvernement des États-Unis.

Biographie

Denis Michaud est présentement inscrit à la deuxième année du programme de doctorat en science politique de l'Université d'Ottawa. Ses intérêts de recherche portent sur l'économie politique et sur le rôle des élites politiques au Canada. Il détient une maîtrise en science politique de l'Université Laval (1999) et un baccalauréat en sciences sociales, avec spécialisation en science politique, de l'Université de Moncton (1997). Denis a participé à la National Model United Nations de l'Organisation des Nations Unies à New York (1998) et à Boston (1996), en plus d'avoir occupé le poste de vice-président académique de la Fédération des étudiantes et des étudiants de l'Université de Moncton, Campus de Moncton (1996-1997). Il a travaillé en tant qu'adjoint législatif au Parlement du Canada, ainsi que comme recherchiste à la Direction des marchés publics du Secrétariat du Conseil du trésor du gouvernement du Québec et au Bureau de l'Opposition officielle du gouvernement du Nouveau-Brunswick.

Daniel Wilson, Université Simon Fraser, Burnaby (Colombie-Britannique)

La réticence non fondée du Canada: faits et mythes entourant la défense nationale antimissile [traduction]

Sommaire

Le déploiement ultime de certains types de défense antimissile balistique (BMD) semble faire l'objet d'un appui enthousiaste par les figures de proue du gouvernement Bush. Le secrétaire d'État Colin Powell et le secrétaire de la Défense Donald Rumsfeld ont fréquemment réitéré la détermination du gouvernement à déployer la défense nationale antimissile (NMD).

Cette impulsion a incité de nombreux analystes à croire que l'enjeu primordial entourant le débat sur la BMD n'est plus de savoir si on doit déployer des forces, mais plutôt quelles forces il faut déployer. L'inévitabilité apparente du déploiement ne diminue toutefois pas l'importance des préoccupations soulevées par les opposants à la BMD. Les obstacles technologiques relatifs à la nature de l'interception à mi-parcours demeure. Les opposants à la BMD ont laissé entendre que le déploiement de la NMD pourrait déclencher une réaction négative des décideurs chinois et russes sous forme d'un nouvelle course aux armements. Dans le présent document, je démontrerai qu'un système multicouches, comprenant une NMD restreinte et des systèmes d'interception en phase de propulsion déployables à l'avant, pourrait effectivement contrer la menace qu'implique la prolifération de missiles balistiques sans compromettre la stabilité internationale.

Biographie

Je termine actuellement ma maîtrise ès arts en science politique à l'Université Simon Fraser. J'étudie entre autres la politique étrangère et la politique de défense canadiennes, les questions de sécurité internationale et le contrôle des armements. La théorie de dissuasion et les études stratégiques m'intéressent particulièrement. Au cours de mes études au baccalauréat à l'Université Simon Fraser, j'ai participé à un échange étudiant officiel avec l'Université de Dundee, en Écosse. Là-bas, j'ai ciblé mes études sur la politique étrangère russe de l'après-guerre froide, l'histoire contemporaine de l'Europe de l'Est et les structures et politiques de l'Union européenne.

Christian Leuprecht et Christopher McCreery, Université Queen's, Kingston (Ontario)

La défense impériale : reconstitution d'un moment du patrimoine canadien. La Guerre des étoiles coulera-t-elle le navire de guerre canadien? [traduction]

Sommaire

Les similarités entre le débat actuel canadien entourant la défense nationale contre les missiles et les arguments présentés au débat entourant le projet de loi naval de 1910 sont saisissantes. Réorienter le débat actuel à la lumière de ce projet de loi nous permettra de le situer dans le contexte plus large de préservation de la souveraineté du Canada sous les pressions permanentes du continentalisme. À première vue, le débat sur la NMD, comme celui de 1911, semble se situer autour d'un aspect inoffensif de la politique de défense canadienne. En réalité, le débat est très controversé parce qu'il touche une corde beaucoup plus sensible : quelle sera l'incidence de la position canadienne à l'égard de la NMD sur la souveraineté et l'indépendance du Canada? Le Canada se retrouve donc à la croisée des chemins politiques : renforcer la souveraineté canadienne en équilibrant l'intégration économique et l'autonomie politique ou l'ébranler davantage en succombant aux pressions de l'hémisphère en faveur de l'intégration économique et politique, cette dernière aujourd'hui accrue. La question est la suivante : quel est l'équilibre nécessaire à une puissance intermédiaire comme le Canada pour prendre position entre l'intégration et l'autonomie afin d'optimiser sa souveraineté.

Biographies

Né et élevé en Allemagne et au Koweït, **Christian Leuprecht** est professeur adjoint au département de science politique et d'économique du Collège militaire royal du Canada, boursier doctoral du CRSH du Canada, Good fellow WC de l'Université Queen's et membre du Centre d'étude de la démocratie au département d'études politiques de l'Université Queen's où il rédige actuellement son mémoire en théorie politique, intitulé Données démographiques du conflit [traduction] sous la direction de Will Kymlicka. Il détient une maîtrise en science politique de l'Institut d'études politiques de l'Université Pierre Mendès-France de Grenoble, en France, de même que de l'Université de Toronto. Il a auparavant obtenu un diplôme en littérature française de l'Université de Toronto où il a également fait son baccalauréat.

Christopher McCreery fait ses études doctorales au département d'histoire de l'Université Queen's où il a également fait ses études de maîtrise après avoir terminé son baccalauréat en histoire à l'Université Western Ontario. Il rédige son mémoire sur l'évolution de la notion de citoyenneté au Canada sous la direction de Ian McKay. Christopher a organisé plusieurs conférences et est un partisan inconditionnel des simulations de l'ONU de Queen's et de l'Association des affaires internationales de Queen's. À titre de plus grand expert des honneurs du Canada, il est récemment intervenu dans un cas devant la Cour suprême du Canada. Il est également en train de rédiger la correspondance du deuxième premier ministre du Canada, Alexander McKenzie, qui sera publiée à la University of Toronto Press.

Eric Haché, Université de Moncton, Moncton (Nouveau-Brunswick)

NORAD : retombées courantes et perspectives d'avenir

Sommaire

Dès la Seconde Guerre mondiale, le Canada et les États-Unis ont réalisé l'importance d'une coopération militaire afin d'assurer la protection du territoire nord-américain. Suite à ce conflit, cette coopération s'est maintenue et s'est même intensifiée pour répondre aux exigences du système mondial bipolaire de la guerre froide. Ainsi, en 1958, le Canada et son voisin du sud signent l'Accord NORAD (Commandement de la défense aérienne de l'Amérique du Nord) qui intègre le contrôle des forces aériennes canadiennes et américaines dans un commandement aérien de l'Amérique du Nord. Depuis sa signature initiale, l'accord fut constamment reconduit et son plus récent renouvellement fut signé le 16 juin 2000. Par l'étude de l'intérêt et de l'historique de cette coopération binationale, nous tenterons de ressortir et d'analyser les retombées courantes ainsi que les perspectives d'avenir que NORAD offre au Canada. Que ce soit au niveau des coûts ou de l'efficacité, cet accord offre de nombreux avantages mais également des défis et un plus grand engagement de la part du Canada.

Biographie

Originaire de Caraquet, dans la péninsule acadienne au Nouveau-Brunswick, je vis présentement à Moncton où je suis étudiant en première année au programme de maîtrise en administration publique à l'Université de Moncton. Avant d'entreprendre mes études de deuxième cycle, j'ai obtenu, en mai 2000, un baccalauréat ès arts de l'Université de Moncton

(majeure en histoire et mineure en musique classique). Mes domaines d'intérêts sont l'histoire contemporaine internationale, la défense nationale, les relations internationales ainsi que l'actualité en générale. De plus, étant un mélomane et ayant une concentration universitaire en musique, je joue de la guitare classique depuis plusieurs années. Grâce à ma formation en histoire, j'ai travaillé pour la Société historique Nicolas-Denys en tant qu'archiviste et coordinateur de l'équipe de travail pendant les deux derniers étés.

Sean McMahon, Université de l'Alberta, Edmonton (Alberta)

Le Canada, les États-Unis et le processus d'Oslo : bâtir la paix au Moyen-Orient [traduction]

Sommaire

Les violences et la résistance en Israël et en Palestine ont fait des centaines de morts. L'instabilité régionale et internationale qui en résulte soulève deux questions particulièrement pertinentes en ce qui concerne la politique étrangère du Canada : dans quelle mesure un changement de notre politique envers Israël et la Palestine influera-t-il sur nos relations avec les États-Unis, et qu'implique un tel changement pour nos relations avec les autres acteurs internationaux dans l'avenir? Nous formulons l'hypothèse qu'un changement de la politique étrangère canadienne favorisant la stabilité en Israël et en Palestine ne nuirait pas aux relations entre le Canada et les États-Unis. Qui plus est, une politique canadienne visant à appliquer le concept de la sécurité humaine en Israël et en Palestine, en encourageant une participation internationale accrue à un processus de paix au Moyen-Orient, dans l'après Oslo, recevrait l'aval de pays aussi différents que la Russie, la Chine et les membres de l'Union européenne. En conclusion, le document présente trois suggestions à l'intention des architectes de la politique canadienne au Moyen-Orient : le Canada doit 1) appliquer de façon uniforme les critères de la sécurité humaine en Israël et en Palestine; 2) engager les parties à abandonner le processus d'Oslo; 3) internationaliser le processus de paix au Moyen-Orient, dans l'après-Oslo.

Biographie

Sean McMahon est un candidat au doctorat du département des sciences politiques de l'université de l'Alberta. Il s'intéresse au processus d'Oslo et aux négociations entre Israël et la Palestine, à la théorie post-coloniale et post-structurelle, à l'élaboration de la politique étrangère canadienne et à la réforme des Nations Unies. Ses travaux réfutent la thèse généralement admise selon laquelle le processus d'Oslo (les négociations bilatérales entre Israéliens et Palestiniens) constitue un processus de paix. Ils démontrent plutôt qu'il s'agit d'un régime de contrôle qui se heurtera inévitablement à des résistances, comme celles que l'on connaît à l'heure actuelle. Il a poursuivi ses travaux grâce à l'obtention d'une bourse Thomas O. Hecht, en 2000. Cela lui a permis de se rendre en Israël et en Palestine, notamment à titre de boursier du Centre d'études stratégiques BESA, à l'Université de Bar-Ilan, à Tel-Aviv.

Jamie Campbell, University of Northern British Columbia, Prince George (Colombie-Britannique)

Partenaires contre le crime : une plus grande collaboration entre le Canada et les États-Unis s'impose pour combattre et contrôler le crime organisé transnational [traduction]

Sommaire

Depuis quelques années, la recrudescence du crime organisé transnational soulève des préoccupations croissantes entre le Canada et les États-Unis. Ces préoccupations suscitent un intérêt de plus en plus considérable au Canada et deviennent une question de sécurité nationale aux États-Unis. Les deux pays ont amorcé des opérations de lutte contre les diverses formes de crime organisé transnational. Jusqu'à tout récemment, les gouvernements canadien et américain ne collaboraient que très peu. Pour combattre et contrôler efficacement la recrudescence du crime organisé de l'autre côté de leur frontière commune, non seulement les gouvernements canadiens et américains doivent collaborer davantage, mais également les organismes gouvernementaux directement responsables de régler le problème du crime organisé transnational. Le présent document se penchera sur la façon dont une plus grande collaboration entre le Canada et les États-Unis mènera à une lutte plus efficace contre le crime organisé transnational et à un meilleur contrôle.

Biographie

J'ai obtenu mon baccalauréat en études internationales de la University of Northern British Columbia (UNBC) en 2000. Je me suis attardé principalement aux relations étrangères canadiennes et à des études sur la sécurité. Ces études m'ont intéressé aux menaces non traditionnelles à la sécurité, particulièrement au crime organisé transnational. Je poursuis actuellement ma maîtrise en études internationales à UNBC. Ma thèse étudiera la menace du crime organisé transnational et la façon dont les gouvernements doivent collaborer pour y livrer bataille. Ma thèse ciblera les gouvernements des pays côtiers du Pacifique.

Tammy Nemeth, Université de la Colombie-Britannique, Vancouver (Colombie-Britannique)

Les guerres d'énergie et les relations canado-américaines ou les leçons tirées de l'histoire [traduction]

Sommaire

Ce document insiste sur le fait qu'il faut comprendre la dimension historique des conflits énergétiques précédents entre les deux pays voisins pour pouvoir réagir et faire face à une guerre d'énergie potentielle entre le Canada et les États-Unis. Que révèlent les règlements précédents de conflits énergétiques entre les deux pays? Quels éléments de l'histoire nous renseigneront et orienteront les décisions d'aujourd'hui? Cette étude examinera les similarités et les différences entre les circonstances passées et actuelles et les options stratégiques à l'égard des relations énergétiques canadiennes-américaines. La discussion tiendra compte de l'influence changeante des variables explicatives de l'économie, des idées, des forces internationales et des groupes d'intérêt. L'analyse brossera le tableau des relations énergétiques canadiennes-américaines en quatre sections : Pierre Trudeau et la première crise de l'énergie, de 1974 à 1979; la deuxième

crise de l'énergie et le Programme énergétique national de Trudeau, de 1980 à 1984; la déréglementation canadienne sous Brian Mulroney; et enfin, où en est la relation énergétique actuelle Canada – États-Unis et pourquoi. L'étude vise à mieux faire comprendre le processus et les priorités de chacun des deux pays en matière de ressources vitales ainsi que la façon dont ces politiques se sont manifestées et se manifestent dans la relation Canada – États-Unis.

Biographie

Tammy Nemeth fait ses études doctorales au département d'histoire de l'Université de la Colombie-Britannique, à Vancouver (C.-B.). Parmi ses champs d'intérêt, notons la politique énergétique, les relations canado-américaines d'après-guerre, la politique étrangère, l'organisation gouvernementale et l'élaboration des politiques. Elle a terminé sa maîtrise ès arts en histoire à l'Université de l'Alberta et a obtenu son baccalauréat ès arts (avec distinction) en histoire de l'Université de Regina. Elle a publié, entre autres, *Pat Carney and the Dismantling of the National Energy Program*, Past Imperfect, vol. 7, 1998: 87-123, et *Continental Drift: Conservative Energy Policy and Canadian-American Relations* dans Diplomatic Departures? The Conservative Era in Canadian Foreign Policy, 1984-1993, éd. Kim Richard Nossal et Nelson Michaud (Vancouver : UBC Press, automne 2001), chapitre 4.

Andrew Mathewson, Université Royal Roads, Victoria (Colombie-Britannique)

Revendication des droits autochtones et issus de traités: les droits des Premières nations en matière de ressources naturelles; défis transfrontaliers dans les relations Canada – États-Unis [traduction]

Sommaire

Dans la zone de libre-échange, les relations économiques entre le Canada et les États-Unis se caractérisent par des négociations permanentes et la gestion du risque continue. Les différends au sujet du bois d'œuvre ou du saumon du Pacifique illustrent les écarts de prix inhérents au pouvoir politique et à l'avantage économique et les compromis nécessaires au commerce et à la gestion des ressources nationales et transfrontalières. Aux dimensions déjà complexes et changeantes de cette relation s'ajoutent des dynamiques similaires prenant forme entre les gouvernements fédéraux et provinciaux et les Premières nations qui revendiquent leurs droits autochtones et issus de traités pour avoir leur part des ressources du continent. De plus en plus, les Premières nations peuvent attirer l'attention sur la responsabilité potentielle de les exclure de la table de négociation. Ce document recense quelques événements, décisions juridiques et documents récents et historiques en faveur des revendications des Premières nations au Canada, en insistant principalement sur l'étude des approches et mécanismes de gestion de conflits afin de comprendre et de traiter les enjeux et difficultés de gestion du risque pour le Canada et les États-Unis.

Biographie

Andrew Mathewson termine une maîtrise ès arts en analyse et gestion de conflits à l'Université Royal Roads. Son principal projet de thèse porte sur l'application d'un « dialogue soutenu », approche de pré-négociation, dans le conflit prolongé opposant les Premières nations au gouvernement fédéral / provincial. Il détient un diplôme d'études supérieures en résolution de

conflits de l'Université Carleton et un baccalauréat (avec distinction) en histoire de l'Université Western Ontario. Au cours des dix dernières années, Andrew a travaillé à des projets et à des dossiers de consolidation de la paix nationale et d'autorégulation autochtone, se spécialisant dans l'élaboration de systèmes de gestion de conflits sur le plan du développement communautaire et à l'échelle nationale. Andrew habite à Ottawa.

Gabrielle Slowey, Université de l'Alberta, Edmonton (Alberta)

L'Amérique, le Canada et la Réserve faunique nationale de l'Arctique : relations interétatiques et luttes indigènes [traduction]

Sommaire

Au moment où le Canada et les États-Unis se disputent l'extraction de l'énergie dans la Réserve faunique nationale de l'Arctique, les États-Unis veulent résoudre une crise énergétique intérieure tandis que le Canada s'efforce de protéger l'intégrité environnementale de la région. En quoi ces conflits interétatiques touchent-ils les gens à l'échelle locale? Ce document tente de mieux comprendre les positions américaine et canadienne en les examinant du point de vue des luttes indigènes locales. Cet aspect est important parce qu'il révèle dans quelle mesure les relations américo-canadiennes et les luttes indigènes locales se rejoignent dans l'économie mondiale d'aujourd'hui et comment elles sont façonnées par la disponibilité limitée des ressources naturelles et les préoccupations environnementales à l'échelle mondiale. Débutant par une étude du courant actuel de la politique étrangère et des politiques intérieures des États-Unis, ce document étudie la situation des relations arctiques entre les États-Unis et le Canada. Il nous transporte ensuite à l'échelle locale et explore la nature de la discorde issue des forces pro-développement des Inupiats et des préoccupations anti-développement des Vuntut Gwitchin. Enfin, ce document soutient qu'une nouvelle orientation nationaliste dans le processus décisionnel américain pourrait irréparablement briser l'harmonie et l'écologie de l'Arctique. Cette analyse met également en perspective les facteurs qui pourraient favoriser l'avenir des relations arctiques Canada – États-Unis ou y porter atteinte.

Biographie

Gabrielle Slowey fait ses études doctorales au département de science politique de l'Université de l'Alberta, à Edmonton, en Alberta. Dans son mémoire intitulé *L'autodétermination autochtone dans la nouvelle économie politique canadienne : la situation de la Première nation crie Mikisew* [traduction], elle étudie les répercussions du développement pétrolier et de la cession des programmes et services gouvernementaux sur les ambitions d'autodétermination de la Première nation crie Mikisew du Nord de l'Alberta. Elle a obtenu sa maîtrise en science politique de l'Université du Nouveau-Brunswick et son baccalauréat en science politique et en français, de l'Université de Toronto. Parmi ses publications récentes, mentionnons *Globalization and the Dispossessed: Impacts and Implications for Aboriginal Peoples and Self Government in Canada* (*American Review of Canadian Studies* 31(1), printemps 2001) et *Neoliberalism and the Project of Self-Government* dans *Citizen or Consumers?: Social Policy in a Market Society* (éd. Dave Broad and Wayne Antony, Halifax: Fernwood Press, 1999).

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Protéger la culture canadienne à l'ère de la mondialisation : le cas des magazines à tirage dédoublé [traduction]

Sommaire

Les produits culturels américains (films, livres, émissions télévisées et périodiques) ont trouvé un vaste public réceptif au Canada et les industries culturelles canadiennes ont dû se battre pour garder l'attention de leur public national. Afin de s'assurer que les Canadiens ont des véhicules de libre expression viables et que les opinions canadiennes sont entendues, le gouvernement canadien s'est longtemps servi de divers instruments stratégiques intérieurs pour protéger et promouvoir ses industries culturelles. Toutefois, comme l'a démontré la lutte récente Canada – États-Unis concernant les magazines à tirage dédoublé, les progrès de la technologie de l'information et les règlements commerciaux libéralisés remettent en question l'approche canadienne à l'égard de la protection culturelle. La transmission électronique a réduit l'importance réglementaire des frontières nationales, et les accords commerciaux internationaux ont limité la capacité des États à restreindre le commerce. Les deux facteurs ont contribué efficacement à la désuétude des politiques de longue date du Canada visant à protéger son industrie du magazine et, en 1997, l'Organisation mondiale du commerce a jugé que ces politiques allaient à l'encontre de ses obligations internationales. Le Canada pourrait vouloir adopter une approche plus proactive dans le cadre de discussions commerciales futures et peut-être trouver des collaborateurs pour tailler une place spéciale à la culture plutôt que de la « mettre de côté » uniquement.

Biographie

Je termine actuellement mes travaux de maîtrise en science politique de l'Université de Calgary. Mes projets d'étude actuels portent sur la défense antimissile nationale américaine et sur la protection culturelle canadienne dans le contexte de la relation Canada – États-Unis. Avant de commencer mes études de maîtrise, j'ai passé quatre mois à Washington (DC) pour participer au programme de stages sur l'ALENA du Washington Center. Mon poste de stagiaire se trouvait à l'ambassade du Canada.

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Anne aux pignons verts rencontre Ally McBeal : gérer les approches canadiennes et américaines à l'égard de la politique culturelle [traduction]

Sommaire

Depuis quelques années, le paysage commercial Canada – États-Unis est entaché de conflits sur la scène culturelle. En présentant les politiques culturelles canadiennes et américaines comme des conséquences logiques des définitions nationales respectives du mot « culture », ce document cherche à expliquer les causes de ces différends commerciaux et se demande s'il est possible pour le Canada et les États-Unis de réconcilier leurs conflits d'approches en matière de politique culturelle. Voici une réponse réaliste : à la limite, leurs approches divergentes

pourraient potentiellement être gérées, toutefois l'harmonisation des intérêts canadiens et américains à l'égard de la politique culturelle est peu probable. Le document conclut par l'exploration de plusieurs routes multilatérales que les décideurs canadiens et américains pourraient emprunter afin de favoriser une meilleure gestion des approches relatives à la politique culturelle.

Biographie

Nina Rabinovitch poursuit sa maîtrise à The Fletcher School of Law and Diplomacy de Tufts University. Elle s'intéresse particulièrement à l'économie politique internationale et au commerce international. Sa thèse explorera la dynamique des régions de monnaie commune et la perspective de dollarisation dans les Amériques. Elle a obtenu son diplôme du programme d'arts et de sciences de l'Université McMaster en avril 2000. Elle compte à son actif des stages à l'Organisation des États américains, à Washington (DC), et au ministère du Patrimoine canadien. Nina, originaire d'Ottawa, aura un emploi cet été au ministère des Affaires étrangères et du Commerce international, à la section de planification de la politique commerciale.

Inevitable Co-dependency: The Grandy Report on Canadian-American Relations, 1951-?

by

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"*Our neurosis in Canada is not anti-Americanism or pro-Americanism but a paralyzing obsession with the United States. We too often forget that we have all sorts of useful things to do in the great wide world – in the Congo or Laos, in the United Nations and the Commonwealth. None of these activities is directed from Washington, and yet none of them is contrary to our common interest with Washington in promoting peace and prosperity. The deference we must pay to the strategic interest and decisions of the champion of the Western World limits our absolute freedom of action but it certainly doesn't prevent Canada from being a unique and vital force in international politics.*" – Diplomat John Holmes, private note, late 1950s.[2]

"*Canada and the United States have lasting interests. And it is a two-way street. While the United States is important to all countries... no country is as important to the United States as is Canada, something that is overlooked from time to time on both sides of the border.*" - Canadian Foreign Minister John Manley to the Canadian Institute for Strategic Studies, Toronto, 12 April 2001.

In 1951, in the midst of the Korean War, Canada's Secretary of State for External Affairs Lester B. Pearson commissioned a comprehensive report on the state of Canadian-American relations. The project was never completed, and neither it, nor the documents that formed its general framework were ever published. Pearson did draw from the preliminary analyses in a public address but, afterwards, his interest in the issue apparently subsided. Not surprisingly, therefore, the significance of the report and the briefs on which it was based has been neglected.[3]

To disregard these documents, however, overlooks the importance of the decision to keep them secret. The eight months of detailed correspondence among virtually all of the major officers in the Department of External Affairs serve unquestionably as an accurate indicator of official attitudes towards Washington and the Cold War. Even more importantly, the negative result of the policy process exposes the paradox of a Canadian dilemma: relations with the United States are often best for both countries when the Canadian position is sensed, but not heard.

By 1949, with the emergence of the United States as an active player in international affairs, Canada's capacity to develop foreign policy independently was in doubt. America was the crucial leader of the North Atlantic Treaty Organization (NATO) and Canada, one of its many secondary allies. There were remnants of a 'special relationship' between the two, but that Washington would continue to treat Ottawa distinctly could no longer be taken for granted.

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[2] Canadian Institute for International Affairs, John Holmes Papers, A/III/169; JWH B on Diplomacy (Misc.), Holmes [untitled], n.d. [likely late 1950s].

[3] *Documents on Canadian External Relations* (hereafter *DCER*) editor Greg Donaghy called the papers "too long and numerous for publication," in *DCER* 1951, introduction, xvii.

What had been a geopolitically motivated, interdependent and mutually beneficial economic association developed into a relationship of unequal co-dependency. Before the Cold War, the primary motivation for contact between Canada and the United States had been economic. A secondary nation committed to democracy and the rule of law, Canada continued to rely on American wealth, power and influence to survive and prosper. But as a newly confirmed great power, and one of two aligned North American countries, the United States came to depend on consistent Canadian cooperation in global politics to facilitate its prosecution of the Cold War. The two states had grew to be military and strategic allies in an unequal, but equally dependent, relationship.

THE INTERNATIONAL CONTEXT

The end of World War II obviously altered the international order; but, for a number of years, its wider implications were unclear. Optimism and faith in the mechanisms of the United Nations (UN) to maintain world peace quickly dissipated into acute disillusionment and fear. The formation of NATO in 1949 led logically to the commitment of the free world to contain Soviet and Communist expansion militarily. For Canada itself, while the threat was obvious, how to handle it was not. Great Britain, which until just recently had been looked upon for leadership, was no longer a great power. With effort, Washington had finally recognized that the safety of the free world depended on its active engagement in European affairs, and the formerly isolationist United States quickly replaced the British Empire as the most influential economic and political force in the West. With American leadership, however, would come a number of new complications.

Changes to the face of global politics emerged most evidently at the beginning of the Korean War. As the first major Cold War conflict, it militarized the NATO alliance and formalized the role of the United States as its chief. At the end of June 1950, after much American encouragement, the UN Security Council called on the international community to defend South Korea against military incursions from the Communist-supported North. In July, the United States doubled its defence budget and, before Canadian forces even reached South Asia, tension over the inadequacy of non-American military contributions to the war had begun to mount. In his report on how best to respond to US frustration with its allies' relative inactivity, George Ignatieff, Counsellor at the Canadian Embassy in Washington, concluded that, for Canada, "arguments based on logic, such as our overall defence requirements and the contributions we have already made, do not have as much effect as they would in normal circumstances."[4] As a world leader, the United States apparently would not tolerate views of smaller states which did not conform to its own, helping to propel the Cold War into "its chilliest and most dangerous phase yet."[5]

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[4] Trinity College Archives, University of Toronto, George Ignatieff Papers, 985-0039/001 (14), Ignatieff to Charles Ritchie, Correspondence May-July 1950, 26 July 1950.

[5] Donaghy, in *DCER* 1951, Introduction, xv.

In November 1950, China joined the Korean conflict on the side of the North and soon drove the US-led UN force back below the 38th parallel, threatening the defeat of the entire Allied army. Chinese troops were responding to the overly aggressive tactics of US General Douglas MacArthur, a proud soldier who rarely, if ever, consulted with America's allies.[6] Without speaking to his associates in Washington, Pearson travelled to New York in an attempt to broker a cease-fire.[7] Acting in conjunction with his Secretary of State, Prime Minister Louis St. Laurent met with members of the Commonwealth in London to encourage India and other non-aligned countries to maintain their support for the UN and the West even if a truce were not reached. The Chinese did propose terms for a temporary end to the fighting but, in the understated words of political scientist Denis Stairs: "These proposals were badly received in the United States."[8] Washington moved to brand China as an international aggressor and, in spite of repeated Canadian attempts to constrain American actions, the UN passed a condemnatory resolution in February.

PEARSON'S INITIATIVE

Obviously dejected with his failure to negotiate a peace agreement, and considering the whole situation "one of the most serious disputes in the history of Canada's relations with the United States,"[9] Pearson wrote old friend Hume Wrong, Canadian Ambassador to the United States, for advice.[10] His letter recognized Ottawa's dependence on Washington in foreign affairs and lamented the inevitability of Canadian involvement in future American war efforts in the Far East. Aspects of recent policy in Korea had been "erratic and confused," and "at times," he complained, "it has been difficult for the Canadian Government to discover exactly what the current United States policy is."[11] Pearson hoped that Wrong would be able to explain to the American government that its tactics, most specifically the aggressive approach to the war pursued by MacArthur, were threatening the West's political standing in non-Communist Asia. He requested that the Ambassador report back on what could be discerned of long-term American foreign policy objectives.

Unsatisfied with Wrong's response, and still deeply disturbed by MacArthur's restlessness, in March, Pearson met with his Special Assistant, Douglas LePan, and Deputy Under-Secretary Escott Reid. The three discussed the compilation of a definitive list of all the outstanding problems between Canada and the United States. According to Reid, Pearson requested that these problems be analyzed in the hope that "there might emerge a common

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[6] Denis Stairs, *The Diplomacy of Constraint: Canada, the Korean War and the United States* (Toronto and Buffalo: UTP, 1974), 95.

[7] For a more detailed account, see Robert S. Prince, "The Limits of Constraint: Canadian-American Relations and the Korean War, 1950-51," *Journal of Canadian Studies* 27,4 (Winter 1992/93), 129-52.

[8] Stairs, *The Diplomacy of Constraint*, 165.

[9] Ibid., 168.

[10] Pearson to Wrong, 9 February 1951, in *DCER* 1951, 104-107.

[11] Ibid., 105.

pattern not only of the problems themselves but of the way in which they might be best dealt with."[12]

On 22 March 1951, the Deputy Under-Secretary convened a meeting of intermediate and senior level civil servants representing Canadian economic, defence, legal, military and geopolitical interests.[13] Meeting secretary J.F. Grandy's notes show that Reid conveyed Pearson's appeal for a comprehensive examination of Canada's relationship with the United States – what he referred to as "the major problem in Canadian foreign policy."[14] Specifically, the report was to examine five issues:

> (a) in what respects our dealing with the United States have changed from predominantly 'line-fence' disputes to questions of power relationships and major policy differences;
> (b) to what extent these issues are inter-connected;
> (c) which of our actions have most irritated the United States;
> (d) how far such controversies can be dampened down; and
> (e) what assets we have in a contest of this kind and how they can be best used.[15]

Members of each Division were to prepare initial drafts immediately, which would be reviewed, commented on and augmented by the Division heads. Reid emphasized that these papers would not lead inevitably to changes in Canadian foreign policy and encouraged each Division to conclude its analysis by speculating on future relations.

Seventeen preliminary reports were soon completed. Although never explicitly commissioned as such, the papers divided neatly into three distinct themes: Canadian-American economic relations; political conduct within the international community; and specifically bilateral ties.

The economic officers concluded that Canada did indeed have a special relationship with the United States, characterized by unprecedented cooperation and differentiated treatment in bilateral relations. A superpower still acting too often out of naïveté in the multilateral

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[12] NAC, RG25, External Affairs Papers (hereafter External Affairs Papers), Series G-2, vol. 4352, file 11455-A-1-40, Reid to Pearson, 2 April 1951.

[13] Present were: Reid (Chair), K.J. Burbidge, Head, Legal Division; R.E. Collins, European Division; G.P. de T. Glazebrook, Head, Defence Liaison (2) Division; John Holmes, Head, United Nations Division and newly appointed Acting Permanent Representative to the UN; Miss, A.M. Ireland, Commonwealth Division; LePan, Herbert Norman, Head American and Far Eastern Division; A.F.W. Plumptre, Head, Economic Division; M.H. Wershof, Defence Liaison (1) Division and J.F. Grandy, American and Far Eastern Division and secretary of the meeting.

[14] NAC, External Affairs Papers, Series G-2, vol. 4352, file 11455-A-1-40, Grandy, "Relations with the United States," 27 March 1951. Report of the meeting held in room 157, East Block, 2.30pm, Thursday, March 22, 1951.

[15] Ibid.

environment, America was nonetheless a dedicated and reliable world leader. More negatively, inexperience in Washington could cause it to display weakness and insensitivity in the face of domestic pressures. Government bureaucracy could interfere with negotiations, and the United States' inability to grasp its international position, exemplified at times by a failure to consult sufficiently with its allies, too frequently led to what should have been avoidable conflicts.

The second series of papers emphasized most strongly the new position of American predominance in the Western world. It asked how Canada could or should respond, generally finding that, considering the state of the Cold War, American command was not necessarily negative. Ottawa could still exercise limited influence on Washington if it approached it properly, and Canadians would have to learn to tolerate American inexperience and occasional ineffectiveness; geography, combined with national interest, forced Canada to follow the American lead.

The final reflections, looking specifically at bilateral questions, were generally positive. Perhaps most revealing, however, was a brief from the Department of National Defence. R.A. MacKay recognized the emergence of the United States as a superpower and proposed that, as a North American nation, Canada had two options: "occupation by the United States, or cooperation with the United States, to ensure its security."[16] Eager to maintain its independence in foreign affairs, Canada would have little real choice other than cooperating, and condoning, American defence policy.[17]

On 2 April, the briefs were gathered by now Acting Under-Secretary of State Escott Reid and sent to Pearson as a package.[18] Pearson must have read the collection, since his address to the Empire and Canadian Clubs of Toronto the following week incorporated a number of their observations.[19] The speech explored three main ideas. First, Pearson made clear the crisis of the Cold War. It was a war about "social and moral developmentY freedom vs. slavery,"[20] and it had

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[16] NAC, External Affairs Papers, Series G-2, vol. 4352, file 11455-A-1-40, R.A. MacKay, "Defence Relations with the United States," n.d. [likely 31 March 1951].

[17] MacKay also outlined a series of defence issues that would have to be considered in the future, including: American military installations in Canada, the composition of the commanders of joint continental and air defence teams, command in Newfoundland, and the problems caused by increasing American pressure for greater Canadian contributions to European defence.

[18] NAC, External Affairs Papers, Series G-2, vol. 4352, file 11455-A-1-40, Reid to Pearson, 2 April 1951. The annotated list of problems between Canada and the United States, compiled by Under-Secretary of State Heeney, did not arrive until 27 April. See NAC, External Affairs Papers, Series G-2, vol. 4352, file 11455-A-1-40, Heeney to Pearson, "Memorandum for the Minister," 27 April 1951. Pearson sent the list to Prime Minister St. Laurent a week later. See NAC, External Affairs Papers, Series G-2, vol. 4352, file 11455-A-1-40, Pearson to St. Laurent, 2 May 1951.

[19] Lester Pearson, "Canadian Foreign Policy in a Two-Power World," *Statements and Speeches* 51,14 (10 April 1951). It is possible that this speech was written not be Pearson, but by MacKay, whose notes dated 10 April which included a number of passages from the Pearson speech. It is more likely that the speech was written by both men. See NAC, External Affairs Papers, Series G-2, vol. 4352, file 11455-A-1-40, R.A. MacKay, [Untitled], 10 April 1951.

[20] Pearson, "Canadian Foreign Policy in a Two-Power World."

divided the globe into two distinct camps. He then highlighted Canada's obligation and determination to fulfill its international obligations to preserve the collective strength of the free world.

The greater part of his comments, however, and those that are best remembered, explored relations with the United States. Pearson began critically, emphasizing the role of the UN as an instrument of collective security, and stressing how important it was to deny any attempt to make it little more than an instrument of American politics. Moreover, he promised that Canada would not adhere to any international policy blindly, proclaiming: "We must reserve our right, for instance, to criticize even the policy of our great friend, the United States, if we feel it necessary to do so."[21] But Pearson qualified his last statement with two provisos: Canada and the rest of the free world had to accept their reliance on Washington for leadership in the Cold War. They would have to remember that the true enemy was Communism and, therefore, there might be situations when purely national interests would have to be sacrificed to serve the greater good.

Having conceded both the inevitability of closer relations between Ottawa and Washington and Canada's dependence on American international leadership, Pearson warned his audience that relations with the superpower neighbour would not always be easy – Canada would not sit back and become "merely an echo of somebody else's voice."[22] Through active participation in international affairs, it would prove to the United States that it was indeed contributing its share to the Cold War. The Minister commented briefly on American ignorance of its allies' activities in foreign affairs, and then concluded that, even though the two countries shared many of the same objectives in the Cold War, Canada would neither allow itself to become a willing American subordinate nor revert to isolationism and rely solely on the United States for protection. He concluded: "the days of relatively easy and automatic political relations with our neighbour are, I think, over."[23] Nevertheless, he remained hopeful that the nations of the free world would cooperate, and was grateful for American leadership.[24] Ironically, on that very day, political relations with the United States over the Korean War improved dramatically – and many of Canada's most pressing problems were solved – as President Eisenhower finally dismissed the much-criticized General MacArthur.[25]

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[21] Ibid.

[22] Ibid.

[23] Ibid.

[24] The speech appears to have come as a surprise to the Canadian public, which to this point was apparently unaware of the quantity and complexity of the problems in relations with the United States. See NAC, External Affairs Papers, Series G-2, vol. 4352, file 11455-A-1-40, Reid to Grandy, "Survey of Canada-United States Relations," 2 May 1951. Reid also noted that anti-Americanism in Canada, stemming from a higher standard of living in the US and the late entry of Washington into both World Wars, was not understood across the border, and that American ignorance was contributing to the growing misunderstandings between the two countries. Just as Canada had to consider American public opinion, the US should have realized the impact of its policies on the Canadian general public.

[25] Stairs, *The Diplomacy of Constraint*, 230.

THE GRANDY REPORT

Pearson's speech marked the beginning, rather than the end, of the exploration of the Canadian-American relationship. On 16 April, J.F. Grandy completed his first draft of "A Survey of Canada-U.S. Relations,"[26] differentiating between conflicts in the relationship over border issues and problems related to power. While the former were mentioned, discussion of the latter dominated the document.

Grandy noted immediately that Canada's geographic position next to the United States made it an inevitable part of a North American power unit dominated by the greater partner. Canada could counter American control through leadership in secondary multilateral associations, such as the Commonwealth, but the strain that such action would place on Canadian-American relations was not deemed worthwhile. NATO was an ideal body to moderate American authority, but Washington did not yet understand how the alliance worked and thus could not be influenced to extent that it might have been.

The Grandy Report blamed a combination of the American political system and "differences in national character and temperament,"[27] for aggravating Canadian-American difficulties. Too often, members of Congress voted based on their own constituents' interests as opposed to their country's as a whole. And while Americans were idealistic, imaginative and generous, they also tended to take "a more impulsive and sometimes a more emotional approach than Canadians to questions of foreign policy."[28] Even worse, Washington was rarely open to ideas that were not consistent with the political norm. This close-mindedness resulted in an inconsistent, impulsive and at times intolerant foreign policy.

"Consultation," concluded Grandy, "[would] no doubt continue to be the most useful means of influencing the United States,"[29] and this would have to be undertaken during the formative stages of policy formulation. Moreover, until America had matured as a superpower and learned –as Britain had years before—to consult its allies without automatically considering them committed, Canada would be forced to exchange its freedom to act independently for a voice in American foreign affairs. It was best for Canada to express its concerns with US policy strategically, recalling at all times the impact of publicly aired criticism on the all-powerful American electorate. To maintain Washington's willingness to keep Ottawa informed of its affairs, it was important "not to nag Washington unnecessarily."[30] Multilateral approaches to the United States, either through NATO or the UN, tended to be more effective than one-on-one consultations, but Canada had to be wary of ganging up on its neighbour without reasonable

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[26] NAC, External Affairs Papers, Series G-2, vol. 4352, file 11455-A-1-40, J. F. Grandy, "Draft B A Survey of Canada-U.S. Relations," 16 April 1951.
[27] Ibid.
[28] Ibid.
[29] Ibid.
[30] Ibid.

cause. Such a tactic was to be "reserved for issues of the greatest importance."[31] The Report concluded with a final criticism of the quality of American representation in Canada throughout the Korean War.

The document elicited significant critical responses,[32] culminating in Reid's conclusion that, rather than publishing the report, its need for constant revision made it more useful as part of a restricted file to be entitled "Current Observations in Relations Between Canada and the United States."[33] Further criticism of American policy was filed in a private Departmental drawer.

Why did Pearson allow such a complicated and involved process come to naught? The project was his idea, and he had requisitioned it at a time when Canadian relations with the United States, and the ability to effect change in American policy in particular, had reached a new low. General MacArthur was oblivious to Allied concerns, and Canada was being criticized publicly for its relatively meagre preliminary contribution to the Korean War. It was obvious to Pearson that something in the relationship was different, but his inability to capture this change on his own, and Wrong's failure to provide him with the answer he was looking for, provoked further investigation. In hindsight, what was truly disturbing the former Ambassador to the United States was the transformation of the nature of general relations between Ottawa and Washington from bilateral to multilateral. He could not predict how this would affect Canada's ability to influence American decisions, nor could he anticipate how Washington would respond to its new position of international leadership.

The combination of MacArthur's dismissal and the Empire Club speech of April 1951 effectively ended the Pearson's interest in the Grandy Report. Many of his most immediate concerns had been dealt with, and he had reached his own conclusions: Canadian-American relations would require greater care in the future, and it was inevitable that Canada would have a lesser and more dependent role in foreign affairs during the Cold War. The project continued mainly because of the personalities involved. Left virtually in charge, the tenacious Escott Reid[34] was determined to see it through to a close. Pearson had no reason to interfere since, as of April, Arnold Heeney had assumed the role of Under-Secretary and could handle more immediate concerns; moreover, prospects in Korea continued to improve. Reid finally desisted when he became convinced that publication would have done more harm than good.

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[31] Ibid.

[32] See, for example, NAC, MG 30 E101, Hume Wrong Papers, vol. 8, file 43, Wrong "Current States of Relations Between Canada and the United States," 14 May 1951; NAC, External Affairs Papers, Series A-3-B, vol. 4772, file 50080-40, pt. 2, Wilgress to Pearson, 14 November 1951; or Reid, "Memorandum for American and Far Eastern Division," 23 November 1951.

[33] NAC, External Affairs Papers, Series A-3-B, vol. 4772, file 50080-40, pt. 2, Reid to Moran, 3 December 1951.

[34] James Eayrs, *In Defence of Canada*, vol. 4, *Growing Up Allied* (Toronto: UTP, 1980), 103n.

AMERICA'S RESPONSE

American Foreign Service Officer George S. Vest served in Ottawa from 1951-54. His comments, in a 1989 interview, suggest two distinct levels of American understanding of, and responses to, Canada. The American Embassy, said Vest, "took Canada very seriously."[35] There was a "tremendous appreciation,"[36] of the effort, honesty and sincerity of Canadian negotiators. However, "If you went outside that, to some extent to the other areas of the U.S. Government, to elsewhere in the country, there was a general attitude of, well, Canada is a splendid place and the Canadians are splendid people and they're particularly splendid because they're so much like us."[37]

These two conflicting attitudes are reflected in the contemporary diplomatic correspondence. In February 1951, in the midst of Pearson's greatest frustration, American Ambassador to Canada Stanley Woodward suggested that his government make "an effort to avoid possible political difficulties over the question of sovereignty to which CanadiansY are so markedly sensitive."[38] Conscious of the nature of Canadian responses to American policy, Washington sought to minimize conflict between the two states.

The American strategy was devised at least in part as a result of a 1951 policy-planning document. The report made two significant conclusions: "out of the crises of war and cold war a 'unique partnership' had developed that was defined primarily in terms of Canada's strategic and economic importance to American national security."[39] Furthermore, to give "due weight to Canadian interests,"[40] Americans would have to become better informed of the changes underway north of the border. Canada's real significance to the United States, argues historian Lawrence Aronsen, lay "with its willingness to cooperate and continue the close alliance forged during the Second World War."[41]

After the Empire Club address, Woodward reported that Pearson's comments had been meant only to distance Canada from the policies of General MacArthur. Canada had to "approach its problems in a spirit of independence, recognizing and being thankful for the leadership of the United States in the free world."[42] Washington made certain that the speech

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[35] Charles Stewart Kennedy, interview with George S. Vest, 1989.
[36] Ibid.
[37] Ibid. In a contemporary scholarly account, Hugh Keenleyside and Gerald S. Brown commented similarly. See *Canada and the United States: Some Aspects of the History of the Republic and the Dominion*, rev. ed. (New York: Alfred A. Knopf, 1952), 392.
[38] Woodward to Acheson, 26 February 1951 in *Foreign Relations of the United States* [hereafter *FRUS*] 1951, vol. 2, 872.
[39] Lawrence Robert Aronsen, *American National Security and Relations with Canada, 1945-54* (Westport, Conn.: Praeger, 1997), xvi.
[40] Ibid., xx.
[41] Ibid., xvi.
[42] "Memorandum of Conversation [with Pearson], by the Ambassador in Canada [Woodward]," 18 April 1951, in *FRUS* 1951, vol. 2, 885.

was acknowledged; however, at home, it downplayed Pearson's comments to minimize what could have been potentially negative publicity.[43] The Department of State advised Secretary of State Acheson to acknowledge "the independence of Canada's decisions in international matters and her increasingly important role in multilateral negotiations,"[44] but to recall that the Department of External Affairs' critical attitude towards the United States was reflected neither in the rest of the Canadian Government nor within the Canadian public. Admittedly, there was in Canada "a moderate amount of feeling against the United States compounded of frustration, envy, and fear of absorption,"[45] but these feelings were no more intense than they had been in the past.

National unawareness of the respect accorded to it by the State Department,[46] and exaggerated concern with the ignorance of the American general public[47] are parts of what Aronsen has termed the Canadian "diplomatic double standard."[48] Canadians feel justified in criticizing the United States, and ignorance of American society is acceptable, but American critiques of Canadian efforts in international affairs are inexcusable, and lack of knowledge about the Canadian way of life, disappointing.

CONCLUSION

Today, Canadian-American relations continue to be characterized by a profound imbalance of power which has caused continuous bouts of conflict mixed with periods of cooperation. Neither state understands the other as well as it should, and each sees its role differently. Historians still disagree over the extent of Canadian independence, nor can they

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[43] "Memorandum Prepared in Department of State," 12 June 1951, in *FRUS* 1951, vol. 2, 893.

[44] Ibid., 891.

[45] Ibid., 892.

[46] Or even by some of the academic community. John A. Stevenson's article in *Foreign Affairs* in 1951 pointed out that, in spite of its necessary dependence on the United States in foreign relations, Canada had not become subservient to Washington. See "Canada, Free and Dependent," *Foreign Affairs* 29,3 (April 1951), 456-67.

[47] Acheson wrote ironically, "Americans take Canada for granted, and Canadians are forever saying so." See "Canada: 'Stern Daughter of the Voice of God," in *Neighbors Taken for Granted: Canada and the United States*, ed. Livingston Merchant (New York: Praeger Publishers, 1966), 134. For a detailed discussion of contemporary American perceptions of Canada, and specifically "what it is about the Americans that bothers Canadians," see Joseph Barber, *Good Fences Make Good Neighbors: Why the United States Provokes Canadians* (USA: McClelland and Stewart, 1958). Barber concludes perceptively: "Canada is not by nature an obstreperous, argumentative nation. Its instincts are those of a restrained and quiet society, but it is caught up in the harrowing process of adjusting to tensions new to itself and, indeed, to this continent" (267). He adds: "Among Americans there is a deep, if generally unexpressed, respect for the Canadian outline—and, among those familiar with it, an appreciation of the tempered pace of the Canadian way" (268).

[48] Aronsen, *American National Security and Economic Relations with Canada, 1945-1954*, 187.

come to a consensus on the degree to which the relationship is 'special.'[49] Nonetheless, all tend to conclude that: "For better or for worse, Canada and the United States must share the continent and their fates."[50]

This sense of inevitability captures the essence of the Grandy Report, both as a statement of policy and as a relic of Canadian history. Politically, the document – and Pearson's Empire Club address – marked Canada's acceptance of a new world order shaped by the divisions of the Cold War. International roles and duties had changed, and Ottawa would have to take its proper place alongside the free nations in a battle led by a naïve, yet determined staff in Washington.

As a paper that was never published, the document is also tastefully ironic. Historians John Herd Thompson and Stephen J. Randall have written: "The main motif in Canadian-American cold war relations was U.S. pressure for cooperation and conformity and an understated Canadian countereffort, not always vigorous, for an independent voice."[51] It appears, however, that the authors have underestimated the Canadian position. In 1951, the Department of External Affairs undertook a detailed, professional study of the nature of the Canadian-American relationship. Such research, and the quality of insight it produced, could only have come from a mature, capable and independent state. Yet, when the report neared completion, a choice was made to forgo publication. There was no direct pressure from the United States to do so, and thus Canada cannot be said to have acted merely as a subordinate power. The decision was an independent act recognizing that Ottawa's fate was tied inevitably to that of Washington in a relationship of mutual dependence, or co-dependency. Inappropriate or unnecessary public criticism of American foreign policy would likely have been ineffective, and would only have caused domestic unrest and disunity among the allies, thereby damaging Canadian interests in the Cold War.

Since the Second World War, Canada and the United States have cultivated a mutually beneficial, self-interested, yet complementary relationship. At both the bilateral and the multilateral levels, the United States has tended to demonstrate leadership and exercise its power through statements and actions; sometimes, Canadian foreign policy can best be understood with reference to those things left unsaid.

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[49] Those seeing Canada as little more than an American protectorate include Gordon Stewart, *The American Response to Canada Since 1776* (East Lansing: Michigan State UP, 1992), Donald Creighton (see *The Forked Road: Canada 1939-1957* [Toronto: McClelland and Stewart, 1976], specifically, 14), John Herd Thompson and Stephen J. Randall, *Canada and the United States: Ambivalent Allies*, 2nd ed. (Athens and London: University of Georgia Press, [1994] 1997), and Edelgard Mahant and Graeme S. Mount (see *Invisible and Inaudible in Washington: American Policies Toward Canada* [Vancouver: UBC Press, 1999]). On the other side stand those referred to as continentalists or Canadian nationalists, including Robert Bothwell, *Canada and the United States: The Politics of Partnership* (Toronto: UTP, 1992), Aronsen and J.L. Granatstein and Norman Hillmer (see *For Better or For Worse: Canada and the United States to the 1990s* [Toronto: Copp Clark Pittman, 1991]).

[50] Granatstein and Hillmer, *For Better or For Worse*, 318.

[51] Thompson and Randall, *Canada and the United States: Ambivalent Allies*, 184-85.

American Consular Diplomacy in the Klondike, 1898-1901

by

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Describing it as "one of the weirdest and most useless mass movements in history," historian Pierre Berton estimated that the Klondike gold rush brought between 30,000 and 40,000 hopeful miners to what emerged as the overnight boomtown of Dawson City.[52] Situated at the confluence of the Klondike and Yukon Rivers, the mining camp became the largest population center in Canada west of Winnipeg by June 1898.[53] It was a city populated overwhelmingly by Americans, who arrived largely by way of Pacific ports and the Inside Passage of Alaska. The stampede had begun in the summer of 1897, and soon the U.S. State Department realized a national interest in placing an official American presence in the bustling Canadian gold fields. Congress provided for the establishment of a United States consulate in Dawson in January 1898. The new Consul would have a unique responsibility in that he would be the only U.S. government official in what was essentially an American city on Canadian soil.

At the turn of the twentieth century, Canada found itself in an awkward position between the United States and Great Britain. The U.S. was emerging as a world power, a fact demonstrated decisively in the Spanish-American War, while Britain increasingly perceived its imperial interests in terms of an Anglo-American partnership. London, not Ottawa, determined Canadian foreign policy, even as Canadian nationalism was on the rise. In the gold rush, the Dominion government was swift to assert Canadian sovereignty in the face of American encroachment. Although recent scholarship has downplayed the American character of the event[54], the gold rush was an undeniably American phenomenon. American nationalist sentiment in the Yukon was widespread, and few episodes demonstrated this more clearly than the controversy that erupted between Dawson's first U.S. Consul and the American editor of a local newspaper.

Under the strict control of the vigilant North West Mounted Police, the orderly community of Dawson stood in sharp contrast to the free-wheeling American gold rush communities of the recent past and to the lawless Alaskan port towns of Skagway and Dyea, through which most of the miners had traveled. Order, however, required limitations on certain personal liberties. An American Consul could provide some U.S. oversight of the treatment of American citizens in the Mountie-controlled town, while serving the large American community in a variety of other capacities.

The person chosen to fill the new position was James Church McCook, a Philadelphian in his early fifties who had recently retired as the head of his confectionery manufacturing business, J.C. McCook & Company. On March 23, 1898, the *Philadelphia North American* reported his appointment with considerable praise:

> James C. McCook is a well-known Philadelphian and exceptionally well-equipped for the position, having been engaged in mercantile life for over twenty-five years... He had the

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[52]Pierre Berton, *The Klondike Fever* (Toronto: McClelland and Stewart, 1972), 412 (quotation), 396.
[53]Berton, 290.
[54]See Charlene Porsild. *Gamblers and Dreamers: Women, Men, and Community in the Klondike.* (Vancouver: University of British Columbia Press, 1998).

> endorsement for the position of the leading manufacturers and businessmen of Philadelphia as well as that of Senators Quay and Penrose and the entire Congressional delegation of the city.[55]

The notice went on to mention that the annual salary for the post was $3000. Recently, there had been a change of plans, for the same newspaper had reported in January that McCook was to be appointed Consul to Lisbon, Portugal. The "staunch Republican," it said, was "...an earnest worker for his party."[56] Evidently, he had not been quite earnest enough to receive the expected European appointment from President McKinley, though the paper did not explain the change.

McCook accepted his assignment to the Yukon and left Philadelphia at the end of May. On July 26, 1898, he arrived in Dawson City by way of Seattle, Dutch Harbor, and St. Michael, having purchased office equipment before boarding his ship in Puget Sound.[57] It was the height of the Gold Rush. The population of Dawson had swelled to its peak, and real estate and all order of supplies were at a premium. The new Consul quickly located office space in an Alaska Commercial Company warehouse, but to rent the location cost a hefty $200 per month.[58] The first United States Consulate, then, had a rather humble beginning, and it would remain a modest enterprise throughout its existence.

The available offices in town must have been few indeed, because McCook found himself taking a desk next to D.W. Davis, a Canadian Customs Officer who provided him with his first diplomatic challenge. From his arrival, McCook had hoisted the American flag over the building his office now occupied, despite the fact that there was no requirement to do so. In fact, Consular Regulations specifically stated that, "It is not usually necessary that it should be unfurled daily," suggesting instead that the flag be displayed only on U.S. holidays or out of respect for the customs, ceremonies, and festivals of the host country.[59] Davis was considerably agitated by the constant presence of the American flag, and, on August 12th, he finally confronted McCook with the argument that he could not operate under such hostile working conditions. Davis demanded that either the American flag be removed, or the Canadian flag be displayed above it. Otherwise, one of the men would have to move. According to his next despatch to Washington, McCook replied: "...the Stars and Stripes has floated under no flag as yet and I did not propose it should do so now as long as I was there, and that the flag would float wherever I had the Consular Office." He immediately removed his belongings from the office and rented another space by

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[55] *Philadelphia North American*, March 23, 1898, 5.

[56] *Philadelphia North American*, January 20, 1898, 7.

[57] McCook to J.B. Moore, Assistant Secretary of State, Seattle, Washington, June 10, 1898; Dutch Harbor, Alaska, June 19, 1898; St. Michael, Alaska, July 1, 1898; Dawson City, Northwest Territories, July 29, 1898. Despatches from United States Consuls in Dawson City, Canada, 1898-1906. Microfilm, Chalmer Davee Library, University of Wisconsin, River Falls. (All subsequent references refer to the despatches by number in the Chalmer Davee Library collection.)

[58] McCook to Moore, Dawson City, Despatches, July 29, 1898.

[59] Consular Regulations, House Doc. 303, 54th Congress, 2nd Session (Washington, 1896), 28.

midnight.[60] The incident made the front page of the *Klondike Nugget*, a newspaper with which McCook later would be painfully familiar.[61]

In the aftermath of the argument, the consulate was hastily moved to two cramped rooms on the second floor of a frame building on Front Street. The downtown location required a more reasonable rent of $150 per month, but provided very little room to work.[62] By the middle of the next month, McCook found space on the second floor of the McDonald Building, an imposing three-story log structure where the consulate could be housed on a year-long lease for only $75 per month.[63] Though McCook was quite happy with the new quarters, they, like all the others, were not to last. The McDonald Building was spared in an October 15th fire that swept through the business district and caused a frantic McCook to empty the office of his belongings.[64] Unfortunately, a fire the following April 26th devoured the building before anything but official papers, books, seals, and most of the furniture could be saved. McCook estimated his personal losses to be $835 and those of the government to be $262.[65]

Again the Consulate moved. At first, McCook's temporary sleeping room at the Melbourne Hotel had to serve as his office, but by May 27th he had managed to find space in the Green Tree Hotel on Front Street. This, too, was a terribly small office, but McCook could not find better quarters for another month. On June 23, 1899, he finally rented two ten-foot by twelve-foot rooms in the Bodega Building on the Dawson waterfront with a monthly rent of $100.[66] In only ten months, the United States Consulate had moved five times, shifting from one barely adequate, very costly space to another. Surely this was not one of the more enviable posts in the Consular Corps.

The costs were mounting, and McCook found himself facing endless financial obstacles in his official capacities. His $3000 salary and $600 allowance for office rent were not covering his expenses. The only personal income source allowed an American Consul were fees collected in service as a Notary. McCook charged $5 for each such transaction and $10 for the duplicate copies which were usually required.[67] Nonetheless, in April 1899 McCook sent a plea to Washington asking for a salary increase for the next fiscal year. He argued that one could live better on $20 per week anywhere in the United States or Europe than he could on $100 per week in Dawson. Basic necessities cost five times what they were elsewhere, while other expenses were ten times greater. Furthermore, McCook argued, his responsibilities were the same as those

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[60]McCook to Moore, Dawson City, Despatch No. 13, August 15, 1898.
[61]*Klondike Nugget*, August 17, 1898.
[62]McCook to Moore, Dawson City, Despatch No. 14, August 17, 1898.
[63] McCook to Moore, Dawson City, Despatch No. 30, September 28, 1898.
[64]McCook to Moore, Dawson City, Despatch No. 39, October 17, 1898.
[65]McCook to Moore, Dawson City, Despatch No. 88, April 27, 1899; Despatch No. 91, May 10, 1899.
[66]McCook to David J. Hill, Assistant Secretary of State, Dawson City, Despatch No. 103, June 23, 1899.
[67]McCook to Moore, Dawson City, Despatch No. 37, October 6, 1898.

of his colleagues overseas, yet he was at greater risk of illness and without the comforts of normal living.[68]

Prices in Dawson were indeed high. Tappan Adney, a correspondent sent by *Harper's Illustrated Weekly* to cover the events of the unfolding gold rush, noted some of the going-rate wages and prices in Dawson in 1897 and 1898. Miners employed on working claims made up to $1.50 per hour, woodworkers averaged $17 per ten-hour day, bartenders earned $15 per day, while faro dealers made $20 per day. A two-horse team could be hired out for $10 an hour, and a cook could make $100 per week plus meals. At the time of McCook's arrival, watermelons sold for $25 apiece, oranges for as much as $1.50, and apples for $1. Champagne commanded an astonishing $20 to $40 per *pint*.[69] Although McCook reported that prices had fallen by the summer of 1899[70], there was no doubt that the cost of living, let alone operating the consulate, must have been extremely burdensome.

To make matters worse, in September 1899, the governor of Alaska Territory took it upon himself to appoint a Commissioner of Deeds to serve Dawson City, and the office was to have the power of Notary Public.[71] McCook immediately sent word to Washington expressing his belief that the appointment was illegal, the governor having no authority in international affairs, and argued that he would lose three-quarters of his Notary business. Moreover, his "dignity" as Consul would suffer.[72] It is unclear how the situation was settled, but it was plain that McCook was relying on what little income he was allowed.

The consulate workload was large, and McCook sought to hire help in his duties. By August 1898, he had hired one Oran J. Fry as a clerk, but the man resigned in November to work a mining claim.[73] McCook then sent to Philadelphia for his eighteen year-old son, Alexander, as a replacement.[74] It was several months before Alexander arrived, and another man temporarily filled the position in April. Sometime that summer, McCook's son made it to Dawson, but in August he came down with typhoid fever, leaving the consulate short-handed once again.[75] By September, McCook had convinced the State Department of his need for assistance, and he obtained permission to appoint a Vice Consul and Deputy Consul. Ronald Morrison and John Doherty, respectively, accepted the two positions.[76]

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[68]McCook to Moore, Dawson City, Despatch No. 75, April 6, 1899.
[69]Tappan Adney, *The Klondike Stampede* (New York, 1900), 467-468.
[70]McCook to Hill, Dawson City, Despatch No. 122, July 28, 1899.
[71]*Dawson Daily News*, September 4, 1899.
[72]McCook to Hill, Dawson City, Despatch No. 152, September 7, 1899.
[73]McCook to Moore, Dawson City, Despatch No. 19, August 25, 1898.
[74]McCook to Moore, Dawson City, Despatch No. 49, December 20, 1898.
[75]McCook to Hill, Dawson City, Despatch No. 77, April 7, 1899; undesignated despatch of August 31, 1899.
[76]McCook to Moore, Dawson City, Despatch No. 24, September 3, 1898; Despatch No. 27, September 20, 1898; McCook to Thomas W. Cridler, 3rd Assistant Secretary of State, undesignated despatch of August 1, 1899.

The formal duties of the Consul focused primarily on matters concerning American registered vessels and their crews, as described in the Consular Regulations:

> ...it came to be generally understood among civilized nations that all matters of discipline and all things done on board which affected only the vessel or those belonging to her, and did not involve the peace or dignity of the country, or the tranquillity of the port, should be left by the local government to be dealt with by the authorities of the nation to which the vessel belonged...[77]

McCook spent much of his time on shipping questions, but his informal duties were probably the most demanding. These involved giving aid to American citizens in any way he could. The unemployed, sick, and destitute flocked to his office. In August 1898, McCook kept hours from nine o'clock in the morning to nine o'clock at night.[78] Daily, he described, men came to his office to relate their disappointment, complain of poor treatment, or explain their need for money.[79]

Over the winter of 1898-99, scurvy became a major problem among Dawson's hungry masses. McCook joined concerned townspeople in forming a Citizens Relief Committee to aid the poor. From December through February, the committee met weekly at the Consulate, accepting applications from the destitute for admission to the hospital. The committee guaranteed payment for hospitalization of those accepted in return for their signature on a promissory note. It also coordinated a fund raising campaign and took up a collection of food for the needy.[80] By the end of the winter, hospitalizations had dropped significantly, and the life of the city went on.[81]

Under the close watch of Colonel Samuel Benfield Steele, the Mounties in Dawson maintained order by strict enforcement of the law. McCook's office received a constant flood of pleas from Americans in trouble with the NWMP. In April 1899, the Consul reported making daily trips to the jail to see Americans arrested under a Vagrant Act that allowed for the arrest of anyone unable to show visible means of support.[82] Dawson, of course, was filled with poverty-stricken men who had not found their fortunes yet could not afford to leave. McCook made it a point to defend any American who seemed unjustly punished, and watched the police closely. He sent his objections directly to Steele but with only limited success.

In August 1899, Colonel Steele and Consul McCook butted heads over the arrest of an American sailor who was taken into custody aboard his vessel after a fight in the engine room. McCook invoked U.S. Consular Regulations, arguing that the Mountie officer who boarded the American ship had overstepped his authority. However, Steele argued that the fight had disturbed

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[77]Consular Regulations, 118.
[78]McCook to Moore, Dawson City, Despatch No. 14, August 17, 1898.
[79]McCook to Moore, Dawson City, Despatch No. 7, August 7, 1898.
[80]McCook to Moore, Dawson City, Despatch No. 52, January 1, 1899; Despatch No. 55, January 31, 1899.
[81]McCook to Hill, Dawson City, Despatch No. 122, July 28, 1899.
[82]McCook to Hill, Dawson City, Despatch No. 121, July 25, 1899.

the peace of the port and was punishable under the Criminal Code. The American arrested ultimately spent one night in jail and had to pay a $20 fine, with the shipmate with whom he had fought having to pay $10, but McCook wrote no less than four letters of complaint regarding the police action.[83] That same month, however, McCook produced evidence on behalf of an American arrested for stealing wood who had been sentenced to the usual punishment of six months hard labor. He convinced Steele of the man's probable innocence and secured his release.[84]

Despite his sharp disagreements with the North West Mounted Police, McCook admired the order that they brought to Dawson. In a May 1899 despatch to Washington, he wrote, "thanks to the law being enforced here we have a comparatively quiet and safe city and one can walk through the streets at any hour without fear of molestation."[85] The Mounties had re-defined the frontier experience, and even a Yankee could appreciate the positive results.

McCook was reminded of the comparative disorder on the Alaska side of the border with every ship that came up the Yukon. One of his duties was to look after the protection of American seamen, which much more often involved protecting ships' crews from unscrupulous companies than shielding them from Canadian authorities. According to U.S. regulations, the master of a ship arriving in a foreign port was to provide the Consul with his ship's register. And, upon the Consul's orders, a crew list had to be produced showing terms of employment for all men aboard. It was expected that the Consul then determine that all wages had been properly paid, and sailors had been discharged or hired correctly, before issuing a bill of health for the vessel.[86]

However, when McCook first appeared on the scene, ships arriving in Dawson were rarely carrying the proper paperwork, a problem he blamed on poor supervision at St. Michael. By insisting that signed crew lists, prepared before a shipping commissioner or collector of the port, be presented by captains sailing from St. Michael, McCook believed he had improved the situation of American crewmen. In late September 1898, he reported, "The Co's here now know that the Man who works on a Vessel is now protected, that he gets his wages paid to him and the Captains... have to come to me and do the square thing"[87] The point of ensuring that crew lists were accurate was to prevent companies from dumping sailors in Dawson City without any means of escape. When such an event occurred, the Consul was responsible for subsistence payments to abandoned sailors and for arranging transportation, at government expense, back to the United States. On at least one occasion, McCook provided for the passage of six men on a steamer bound for St. Michael.[88]

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[83]McCook to Steele, copy, Dawson City, August 11, 1899, Despatches.
[84]McCook to Hill, Dawson City, Despatch No. 127, August 8, 1899; Despatch No. 135, August 18, 1899.
[85]McCook to Hill, Dawson City, Despatch No. 93, May 24, 1899.
[86]Consular Regulations, 61-70, 81-82, 149-151.
[87]McCook to Moore, Dawson City, Despatch No. 29, September 24, 1898.
[88]McCook to Hill, Dawson City, Despatch No. 102, July 15, 1899.

Among the seamen whose interests he was bound to defend, McCook observed self-serving behavior that he disliked greatly. Steamers that were short of a full crew would sometimes offer employment to destitute men along the Yukon who would agree to work for room and board only. Once in Dawson, the formerly-helpless men would then demand back wages. With disgust, McCook noted this example of greed in an official report, writing: "The ingratitude of Men and the Selfishness of the individual is exhibited in no place under the sun more than in Dawson, it is get all you can, anyway you can."[89]

One of the more notorious events involving American crewmembers took place on the *Yukoner*, a British-registered steamer with an American crew and passengers. On July 25, 1899, McCook reported that a lawsuit had been filed regarding an alleged mutiny aboard the ship. The previous winter, the *Yukoner* had been caught in the ice on a Yukon tributary in Alaska. When relations between the captain and his crew disintegrated, the captain left the ship and came to Dawson by other means, immediately filing suit against his former crew for mutiny.[90] When the ship finally docked in Dawson City on July 24th, six crewmen were arrested and taken to jail while the others were confined to the vessel.[91] McCook did nothing, asserting that the matter belonged under Canadian jurisdiction.[92] The defendants spent only sixteen days in jail, but it was long enough to stir tempers. The steamer's purser, who was a defendant in the case, wrote letters to Canadian Premier Sir Wilfred Laurier and President McKinley in protest. According to another on board, Walter Curtin, "he told the President... that our distinguished Consul, McCook, was dancing his heels off at the Monte Carlo while American citizens were unjustly languishing in a British jail."[93] The reference to dancing may have come from the *Klondike Nugget*, which by now was proving to be McCook's nemesis in Dawson City.

Although the Consul worked long hours as an advocate for Americans and took his official duties quite seriously, his public reputation suffered badly at the hands of a fellow countryman. Eugene C. Allen, the ambitious young editor of the *Nugget*, had rushed to Dawson from Seattle in the spring of 1898 to start the Yukon's first newspaper. "From its inception," historian Lea Kajati Ehrlich noted, "the *Nugget*... concentrated on covering, or creating, controversial local issues.[94] Self-crowned champion of the American miner, Allen vigorously criticized Canadian policies and government officials at every opportunity. His positions made him popular among miners and an influential voice in the community. He should have been a natural ally of the Consul, but McCook accidentally found himself on Allen's bad side amidst the fallout following one of the *Nugget*'s earlier and most successful campaigns of personal destruction.

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[89]McCook to Hill, Dawson City, Despatch No. 99, June 8, 1899.
[90]McCook to Hill, Dawson City, Despatch No. 121, July 25, 1899.
[91]Walter R. Curtin, *Yukon Voyage: Unofficial Log of the Steamer Yukoner* (Caldwell, Idaho, 1938), 199, 242-245, 249.
[92]McCook to Hill, Dawson City, Despatch No. 121, July 25, 1899.
[93]Curtin, 252.
[94]Lea Kajati Ehrlich, "A Corking Adventure," *Alaska Journal*, Autumn 1983, 11.

The Canadian government appointed Thomas Fawcett as Gold Commissioner in the summer of 1897. Fawcett, a surveyor by trade, arrived in Dawson City unprepared for the demands of his new position. It was the responsibility of the Commissioner, working in a one-room cabin with two assistants, to record all the mining claims filed in the Klondike region. The flood of prospectors pouring into the office made work intense, so to improve efficiency Fawcett kept his registry books closed to public inspection. Having relatively little knowledge of the claims area, he made mistakes incorrectly identifying claim locations, and, on occasion, assigned the same plot of land to two different claimants. Although Fawcett himself was apparently honest, his clerks were not. They took advantage of the closed books, selling information on unclaimed land and accepting bribes from miners seeking priority in the claim line.[95]

The blunders and graft in the Gold Commissioner's office were a perfect target for Eugene Allen's *Klondike Nugget*. In July 1898, when mistakes revealing certain information gave some claimants on Dominion Creek an early advantage over others, the newspaper used the occasion to launch an assault on the Commissioner. On July 12th, it called for his resignation. In answer to those who argued that Fawcett was doing the best he could, the *Nugget* responded, "if this is his best, then Lord help us whenever he falls short of his superlative efforts."[96] Allen's crusade had its effect, for the Canadian government reluctantly began an investigation into the corruption charges leveled against Fawcett, and ultimately decided to dismiss him without indictment.[97]

Fawcett remained in Dawson for some time after his dismissal. In March 1899, before his departure, he was honored at a farewell banquet. At this benevolent gathering Consul McCook's troubles with the *Nugget* began. McCook agreed to deliver a speech at the dinner party on behalf of the outgoing Commissioner. Although his specific remarks are unknown, Eugene Allen thought them all too complimentary of the man he had worked so hard to disgrace. He and McCook exchanged words on the matter the following morning, and on March 18th, Allen ran an editorial criticizing the U.S. Consul for speaking highly of a corrupt and deposed official.[98]

Perhaps if McCook had ignored the public reproach, he would have fared better, but he responded to the editorial with a letter that appeared on the front page of the next issue of the *Nugget*. Allen printed it under the headline, "Consul McCook is Petulant," and added interlinear commentary of his own. McCook diplomatically denied endorsing or condemning Fawcett, but his tone was self-righteous:

> Now, sir, there is not in the records of the United States or Great Britain any one of the name McCook that ever did a dishonorable act. I am too proud of the name in American history to do anything dishonorable, such as sanctioning fraud.[99]

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[95] Adney, 437-438.
[96] *Klondike Nugget*, July 12, 1898.
[97] Ehrlich, 13.
[98] Russell Bankson, *The Klondike Nugget* (Caldwell, Idaho, 1935), 300.
[99] *Klondike Nugget*, March 22, 1899.

Allen would not give McCook an inch, going so far as to chastise him for writing his letter on plain paper rather than consular stationary. The editor referred back to McCook's dinner address as the Consul's "... first speech in Dawson — or anywhere else, so far as we know."[100]

A few days later, McCook sent newspaper clippings to Washington with an explanation of the situation. Assuring his superiors that he would not fall into "a similar trap," he expressed regret and hoped that the incident would be overlooked. Perhaps under the impression that Allen was Canadian, he called the editor a "Renegade Englishman" and accused him of being willing to abuse anyone in order to sell a paper. It was a mistake, he wrote, to have responded to the editorial instead of immediately filing a libel suit.[101] In fact, McCook would reveal his propensity to resort to legal means soon enough.

Unfortunately, three days before sending that despatch, McCook had made his own trap much bigger by writing a second letter to the *Nugget*. It was a terrible miss-step. A rambling epistle that began by rebuking Allen for judging his conduct, the letter wandered in several directions, going so far as to include a criticism of a Canadian postage stamp. In it, McCook boasted of knocking an Irishman down the stairs of the Consulate and pontificated on the rights of American citizens. Full of mistakes in grammar and punctuation, it also displayed McCook's tendency to randomly capitalize words. On the first of April, Allen published the letter in its entirety, describing the Consul in his introduction as, "... the illustrious and resplendent minister plenipotentiary... deliverer of obituaries and farewells... " and "... writer of letters destined to live for years as models of diction and gems of literature." Allen suggested titles for the piece including, "The Wail of the Postage Stamp," and thanked McCook for the best laugh he had had in months.[102]

The following week, Allen felt compelled to assure his readers that the letter had indeed been written by the man question:

> The letter of Colonel McCook's published in the April 1st issue of the Nugget has been mistaken by some of our readers for an attempt at an April Fool joke on the American consul. The original, with all its eccentricities of capitals, punctuation, synthesis and syntax is on file at the office, and can be seen by friends.[103]

Convinced that more fun was to be had at McCook's expense, the editor ran a cartoon on the front page of the April 8th *Nugget* that depicted the Consul wearing stars and stripes and sitting at a school desk. With a grammar book opened on his lap, he sits with tears rolling down his cheek as he learns his "First Lessons in English Composition."[104] Apparently, the cartoon was the

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[100]Ibid.
[101]McCook to Hill, Dawson City, Despatch No. 70, March 30, 1899.
[102]*Klondike Nugget*, April 1, 1899.
[103]*Klondike Nugget*, April 5, 1899.
[104]*Klondike Nugget*, April 8, 1899.

straw that broke the camel's back, for McCook immediately filed a $5000 suit against the *Nugget* on the grounds that his character had been maligned in the March 18th and 22nd editions of the paper.[105]

But McCook had already given Allen more material than the young editor could have ever hoped for. On April 7th, the Consul spent the evening at the Opera House. On his way home, someone brought him word that a ship captain named Storey was waiting to speak to him at *The Phoenix*, a local dance hall and saloon. A steamer whose former captain was wanted for arrest was in need of a new master, and Storey had arrived from Circle City to take over the ship. After conversing with the captain, McCook moved to the bar for a drink.[106] Then the fun began.

The details of what happened next are uncertain, but the story told in the *Klondike Nugget* of April 12th was not at all flattering to the Consul. Under the headline "And He Had a Glorious Ti e," the article began:

> Consul J.C. McCook, the American representative to the Yukon territory, constituting the buffoon of a dance hall crowd while in a state of intoxication, was a lamentable spectacle witnessed at the Phoenix on Thursday morning last.[107]

The paper reported that McCook was pleasantly drunk when he started a fight with a young man who had made the mistake of admitting that he was a Canadian. As the scuffle persisted, McCook offered to buy drinks for anyone who claimed to be an American. Eventually finding themselves on the floor, the combatants drew the attention of the dance halls girls, who distracted the Consul from his fight. Turning his attention to "lighter things than upholding the dignity and greatness of his country," he gave one of the girls his gold watch and distributed a collection of gold nuggets among the rest. Then, he invited them to go through his pockets for anything else of value, and soon all of his pockets were turned out.

The low point of the early morning came when someone in the crowd pinned a "small symbol of the Stars and Stripes" to the seat of McCook's pants, and:

> Taking hold of the bar-railing, he bent forward until his coat-tails stuck out conspicuously and then called "Kick me, Pete." This referred to the aforesaid night porter, who not wishing to disappoint the expectant throng, Pete several times planted the toe of his boot against the consul's posterior.[108]

McCook apparently urged the porter on to the point where he began his kicks with a running start from across the room. When the fun was over, a pair of men helped the Consul to the back door,

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[105]Bankson, 306.
[106]McCook to Hill, Dawson City, Despatch No. 78, April 13, 1899.
[107]*Klondike Nugget*, April 12, 1899.
[108]Ibid.

but they left him to make his own way home. After falling in the street, he had to crawl to the Consulate office building on his hands and knees. Or so the paper reported.

Eugene Allen, of course, played up the indignity of the event as well as he could. In an editorial titled, "The Eagle's Drooped Wings," he expressed utmost regret that the *Nugget* was forced by the magnitude of the situation to discuss a man's private life, and begged "to assure the American council [*sic*] that there is not the slightest personal animus in our remarks," before making the following appeal:

> Consul J.C. McCook, we beseech you, by all that you hold sacred, to sever your connection with your office by a voluntary resignation before you have further trailed that glorious flag in the mire, to the sorrow of your compatriots and the derision of their foreign cousins![109]

The day after the story was printed, McCook sent a "confidential" despatch to Washington that described his version of the events. He contended that he had been framed by the editors of the *Nugget*, whose offices were in the same building as the *Phoenix* saloon. Calling the account "entirely false," McCook went on to attack the character of Pete McDonald, the owner of the saloon, as well as that of A.F. George, the *Nugget*'s city editor. He called George an "anarchist" and accused him of being the former editor of a socialist newspaper in San Francisco. He blasted local authorities for not shutting the newspaper down and called for an investigation into George's dangerous history. A note on the cover sheet of the despatch reveals the reaction his tirade eventually received in Washington: "... the Dept. doesn't deem it expedient to make the investigation suggested."[110]

The next day, McCook sent a more subdued despatch explaining that the Yukon Territorial Council had just passed resolutions in his favor and that these were being forwarded to Washington via Ottawa and London. He also attached a sworn statement from a G.H. McPherren, who testified to McCook's walking home unassisted from the *Phoenix* on the infamous morning, explaining that the Consul had slipped on some ice, but quickly got back to his feet.[111] That afternoon, after Colonel Steele informed him that the resolutions passed by the Territorial Council could not be forwarded to Washington without a formal request from the State Department, McCook sent yet another despatch asking that the Department make the necessary request. This time, he included a certification from the Dawson City Health Officer attesting to the fact that he had been examined on April 8th and was diagnosed with symptoms stemming from the influence of a "poisonous narcotic or anesthetic."[112]

The next issue of the *Nugget* featured another cartoon caricature of McCook on the front page. Beneath the words, "Is sleeping in the Klondike vale tonight," the Consul was pictured

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[109]Ibid.
[110]McCook to Hill, Dawson City, Despatch No. 79, April 13, 1899.
[111]McCook to Hill, Dawson City, Despatch No. 80, April 14, 1899.
[112]McCook to Hill, Dawson City, Despatch No. 82, April 14, 1899.

lying in an open grave, while Uncle Sam sat beside him. The summons served on Eugene Allen and A.F. George in a criminal libel suit filed by McCook (following the report of the *Phoenix* incident and in addition to earlier suit for damages) was printed in full.[113] Every detail of the Consul's battle with the newspaper was on display for the townspeople of Dawson City. On April 19th, a McCook cartoon made another *Nugget* front page. This time he was pictured sitting on the riverbank surrounded by garbage, "To Go Out With the Ice in the Spring."[114]

At a preliminary hearing on April 26th, a magistrate ruled that there was enough evidence in the case to justify a trial. McCook sent word to Washington that, "there is no doubt of our securing a conviction and sentence to imprisonment." In the same despatch, he requested an investigation of Eugene Allen and his brother for their association, as McCook was now apparently aware, with a Seattle newspaper known for a history of slander. He was clearly grasping at straws in defense of his badly damaged image, which brought into serious question his next charge that he had been offered a chance to pay off the *Nugget* in return for silence previous to the attacks on his character.[115] It was the only time McCook mentioned this supposed blackmail in his official correspondence.

The jury trial of May 30th returned a verdict of "Not Guilty," exonerating the newspaper from criminal charges and dropping McCook's $5000 claim for damages.[116] The June 3rd *Nugget* ran the front-page headline, "The Nugget Upheld... The Story as Published was Absolutely True," and included a complete account of the trial.[117] It took the Consul a week to report the outcome in his despatch. When he did, he claimed that witnesses had perjured themselves, the jury was made up of the young and unemployed, and that it was exceedingly difficult to obtain a guilty verdict in Dawson. But McCook also offered to resign from his assignment if that be the desire of the Department, though he added that he would like to stay to disprove the slanderous accusations leveled against him. Furthermore, he promised that he would never touch liquor again.[118]

McCook never received orders to leave Dawson. He revisited the subject of his unfortunate battle with the *Nugget* in a July despatch in which he expressed regret for having resorted to lawsuits, but his anger toward the newspaper remained.[119] It had been a tumultuous spring. Just two weeks after the *Phoenix* incident, the fire that destroyed the Consulate roared through town. McCook's son Alexander had arrived to work for his father, but shortly thereafter came down with typhoid. It was not surprising that the Consul wanted some time away. On the very day that he walked into the dance hall, McCook had applied for a two-month leave-of-absence in order to attend the National Exposition of American Manufacturers to be held in Philadelphia in October.

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[113]*Klondike Nugget*, April 15, 1899.
[114]*Klondike Nugget*, April 19, 1899.
[115]McCook to Hill, Dawson City, Despatch No. 87, April 26, 1899.
[116]Bankson, 317-318.
[117]*Klondike Nugget*, June 3, 1899.
[118]McCook to Hill, Dawson City, Despatch No. 98, June 7, 1899.
[119]McCook to Hill, Dawson City, Undesignated Despatch, July 7, 1899.

His son's illness and his having to be present at a murder trial delayed his departure, but he finally left Dawson City in late September.[120]

He would return for two more summers of service in the Yukon, but McCook's first year as Consul was his most eventful, as it coincided with the high point of the Klondike Gold Rush. His experience as an American diplomat on the Canadian frontier in the atmosphere of the rush must have been unique in American diplomatic history. Although his tenure might have been remembered in a more positive light had he not made a few poor decisions under the watchful eye of Eugene Allen, his story is at least a colorful one. He spent his last summer in the Yukon in poor health and died from pneumonia in Philadelphia in November 1901 after returning from Dawson that fall.[121]

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[120]McCook to Hill, Dawson City, Despatch No. 76, April 7, 1899; Despatch No. 110, July 1, 1899; Despatch No. 118, July 20, 1899; Despatch No. 151, September 7, 1899; Despatch No. 162, September 18, 1899; *Dawson Daily News*, September 4, 1899.

[121]*Klondike Nugget*, November 20, 1901.

Canadian Foreign Policy and the 'Human Security' Paradigm: Engaging Modern Canada -U.S. Relations

by

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CANADIAN FOREIGN POLICY AND THE "HUMAN SECURITY" PARADIGM: ENGAGING MODERN CANADA-US RELATIONS

"Canada's contribution through its foreign policy has been to focus the concept of human security on protecting people from violence and to define an international agenda that follows from this objective."

- Freedom from Fear: Canada's Foreign Policy for Human Security

Introduction

The end of the Cold War radically altered the theory and practice of Canadian foreign policy. Where classical approaches once viewed stable states as the primary enabling factors for international security, acts of atrocity in Rwanda, the former Yugoslavia and Afghanistan mandated examination of how human suffering should affect foreign policy development. From critical analysis of the international security architecture emerged the "human security" concept, which holds security is best realized when we recognize threats to security of an economic, environmental and demographic nature.

At first, the post Cold War geo-political landscape promised an era of unprecedented peace and stability. Gone was the ominous and ubiquitous fear that superpower war may erupt at any moment. The new threats to security that arose, however, were in fact very old ones spurred on and intensified by globalization. Disease, famine, internal displacement, gross violation of human rights. These were the new horsemen of the apocalypse. With the exit of a tightly controlled bipolar world, a system in which enemies were impossible to confront and *macht* was increasingly irrelevant came about. Chalk notes, "[…] few of today's dangers have the character of direct military aggression emanating from a clearly defined sovereign source. By contrast, security conflict and general threat definition have become more diffuse and opaque, lacking the simple dichotomies of the Cold War era."[1]

Since the late 1980s, the international community has realized procurement of security through military action has failed. Even with the end of superpower rivalry, the "peace dividend" did not translate into heightened territorial or human security. Consequently, classical notions of military security began being replaced with policies regarding social, economic and political rights and human rights. This new "human security" approach, however, lacks explicit definition, demonstrable relevance to statecraft and bilateral tangibility. Although starting to assume greater shape in the international security discourse, in Canada it is an idea adrift in a sea of bureaucracy, devoid of fixed place in national foreign policy.

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[1] Peter Chalk, Non-Military Security and Global Order: The Impact of Extremism, Violence and Chaos on National and International Security, New York: St. Martin's Press, 2000, pp. 1-2.

In the spirit that "Making sense of these changes will require a holistic, non-linear approach to security that goes beyond the relatively parsimonious assumptions of *realpolitik* that informed international politics for so many years,"[2] this paper examines Canada's pursuit of human security in bilateral relations with the United States.

Under former Foreign Affairs and International Trade (DFAIT) Minister Lloyd Axworthy, human security was the dominant Canadian foreign policy paradigm from 1996 to 2000. In 1998, Axworthy used Canada's seat on the United Nations Security Council to advance human security inspired policies such as curbing small arms proliferation, banning anti-personnel landmines, creation of an International Criminal Court, and elimination of human smuggling. To include consideration of non-military security threats to debate, Axworthy employed what Joseph Nye refers to as "soft power"[3] to accomplish foreign policy objectives with like-minded states.[4] To stimulate additional debate on foreign policy input and promotion of anti-foundational thinking, formulation of Canadian foreign policy itself was opened to public input through the Canadian Centre for Foreign Policy Development (CCFPD). Despite these positive developments, Canada-US relations rapidly deteriorated as a result of the aggressive and condescending tone with which Ottawa portrayed American reluctance to follow suit.

As Canada's posturing regarding human security promotion intensified, American ire over Ottawa's flagging financial, material and human support for international peacekeeping grew, and focussed considerable negativism to the "rhetoric versus resources" disconnect in Canadian foreign policy.

Opportunities for Fresh Thinking

Given Axworthy's recent departure, former Industry Minister John Manley's arrival to DFAIT and a new US government, it is time to take a fresh look at the future of Canada-US relations in the context of emergent security thought and develop a new continental security lexicon in light of redefined threats to national security. It is also an opportune time to consider policy options that specifically draw from Manley's inclination to incorporate pursuit of economic interaction as an instrument with which to facilitate dialogue on human rights, human security, ecological preservation and sustainable development. What should be our new priorities for bilateral relations and what role, if any, should human security play in a new Canada-US relationship for the new millennium?

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[2]Ibid.

[3]The capacity to achieve desired objectives through persuasion instead of force.

[4]Such as the Humanitarian Eight, (which evolved from the *Lysøen Agreement* between Canada and Norway) United Nations (UN), Organization for Economic Cooperation and Development (OECD), G-8 and Organization of American States (OAS). With specific regards to hemispheric security, the OAS is identified by the US as the institution of preference for multilateral exploration of issues such as narcotics trafficking, promotion of democracy and trans-border criminality.

As a caveat, this paper was researched and written as a policy options paper. It intentionally dispenses with a degree of *de rigueur* academic structure in favour of a looser, reflective and prescriptive methodology. Nor does it seek to justify Canada's past or present pursuit of human security. Academics more experienced than I such as Kim Richard Nossal, Louis Delvoie, William Bain and Denis Stairs, have provided cutting critiques of Axworthyism and "pulpit diplomacy." Others conversely, such as Barry Buzan, James Der Derian and Lloyd Axworthy, articulate the need to expand security vocabulary.

Alternatively stated, this paper does not focus on *why* human security should be a component of Canada's US relations, but rather on *how* it should be sought. For intensive purposes, human security's position in Canadian foreign policy is fixed, a *fait accompli*, and the greatest friction in its pursuit has to do with *how* it is sought rather than *what* is sought. It is therefore concluded that cultivation of a robust human security agenda requires that Canadian foreign policy engage, not distance, the United States. Furthermore, Canada's quest to reduce the damage of violent global conflict is optimized when relations with the US are marked by amicable leader-to-leader relations, unobstructed economic interaction, shared continental and hemispheric security interests and harmonized threat perception.

One last clarification though some ruminate on Manley's alleged abdication of Axworthy's labours, he has publicly stated human security is here to stay. The proof? The federal government's 2001-2002 Estimates on Plans and Priorities for public expenditures call for allocation of an additional $10 million per year for expansion of the Human Security Program[5] and introduction of a $40,000 per annum Human Security Fellowship. The Estimates also call for studies to elaborate on human security concepts, facilitate dialogue regarding hemispheric free trade and ratify several important security-based agreements including the United Nations Convention Against Transnational Organized Crime. Manley also notes the Government will "focus on new and emerging threats from global criminal activity, including money laundering, terrorism and the smuggling of people, drugs and guns."[6]

The Reemergence of Canada-US Relations

The Canada-US relationship is our most important social, political and economic asset. In addition to sharing the world's longest undefended border and North American landmass, 80% of Canada's international trade is with the US. This relationship is accented by several major economic partnerships such as the Free Trade Agreement (FTA) and North American Free Trade Agreement (NAFTA). Since 1993 and the distancing of the US through political rhetoric and foreign policy focus, Canada-US relations have an added layer of complexity brought about by differing receptivity to redefinition of security vocabulary.

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[5]DFAIT, Government of Canada, Estimates on Plans and Priorities, 2001-2002, p. 47.
[6]Ibid, p. 6.

Some academics and policy experts argue that Axworthy's normativism and thinly-veiled condescension to Washington perpetuated less than ideal bilateral relations[7], and that Canada should not preach the virtues of international moralism if it cannot commit financial and military resources when "hard power" is needed to consolidate peace or prevent loss of life. Nor, they argue, should Ottawa expect amicable relations with those it humiliates. Bain argues, "[...] this doctrine may engender excessive moralism; that is, a tendency to encounter the world as if Canada were engaged in a moral crusade."[8] *Prima facie* review of American reactions to Canada's human security agenda reveals the Clinton administration's outright refusal to ratify the Ottawa Convention to ban anti-personnel landmines and opposition to intervene during the Rwandan genocide. Such a review also shows that little Ministerial thought has been given to understanding factors countering advocacy of human security.

Prior to the Canadian and American 2000 elections Prime Minister Chrétien, President Clinton, Foreign Affairs Minister Axworthy and Secretary of State Albright seemed to agree that the evolution of threats to global security required a new foreign policy calculus. Under both governments foreign policy was extroverted and treated human security as a precursor to rules-based society, which in turn promotes economic stability. During this time, partnerships against drug trafficking, human smuggling and environmental security risks ranked high on the public agenda, but will pursuit of human security now figure into the thinking of Manley, Bush *and* Secretary of State Powell?

It is hard to say at this juncture. Bush, a realist and state-centrist, believes US foreign policy must introvert to ensure economic stability, strengthen ties with "traditional" supporters and explore national missile defence. Unfortunately, such a move will exacerbate incompatibilities between Canadian and American foreign policy interests, as well as parochialize American military operations in humanitarian interventions. Indeed, military based state-centricity influences Bush's security agenda to a greater extent than the internationalist tones that colour Canadian foreign policy. A look at the new mandarins of US foreign policy (Powell, Cheney, Rumsfeld and Rice) shows that realist foreign policy is not just a possibility, it is an inevitability and indicative of hawkish thinking in the years to come.[9]

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[7]For example, while in Washington Axworthy once stated that the United States was a "deadbeat" due to its position on UN reform. Other acerbic positions adopted by DFAIT include criticism of the *Helms-Burton Act* (Charles F. Doran, "Style as a Substitute for Issue Articulation in Canada-US Relations," *The American Review of Canadian Studies*, Summer 1997, p. 172) and Canadian Embassy reports that, "Payment in full of US dues and arrears will help restore the United States' credibility as a pre-eminent player on the international scene and ensure the continued viability of the UN. A well-functioning UN is a vital component of US security, as are global peace and stability: The United States cannot and should not 'go it alone'." (DFAIT, Embassy of Canada-United States, Washington, D.C., "Current Issues in Canada-US Relations," April 2000).

[8]William Bain, "Against Crusading: The Ethic of Human Security and Canadian Foreign Policy," *Canadian Foreign Policy*, Spring, 1999, p. 86.

[9]Technological changes in coverage of international events (dubbed the "CNN syndrome") means that Ottawa and Washington are coming under increasing pressure to intervene in regions of the world where military intervention can prevent massive civilian casualties.

Further research suggests, however, that Ottawa and Washington may not be that divergent in their global security thinking. For example, both states have made massive joint contributions towards the restoration of civil order in Haiti, where repressive authoritarianism has resulted in a political and social *anomie*. To better promote democracy and rule of law, Canada and the US provided police training to indigenous Haitian forces and have collaborated on fostering an environment where free and open democratic elections can take place. In other parts of the world, Canada and the US have contributed to multilateral UN peacekeeping operations such as in East Timor. The finest example of Canada-US cooperation in multilateral operations to restore security to people under threat occurred when, under the auspices of US-led NATO, Canada provided "wing to wing" support to American forces deployed to oust former Serbian President Milosevic and prevent further annihilation of the Kosovar people.

Canada has also engaged the US in non-traditional security initiatives such as humanitarian peacekeeping, encouragement of disarmament and non-proliferation and dialoguing on transborder criminality. Despite differences flowing from dissenting priorities in security agenda-setting, there has been some convergence in thinking. For example, the US Special Envoy to the OAS recently stated that, "Although the term itself is new, human security describes an idea upon which the foundations of the United States are built—the inherent dignity and worth of the individual [...] human security requires hemispheric security—that is, the elimination of threats to peace and continued strengthening of conflict prevention and resolution measures."[10] Accordingly, the United States identifies promotion of democracy; prevention of crime and illicit drugs; and corporate social responsibility as priorities for American foreign policy.

American perception of threat to domestic security was further revolutionized when, in early 2000, President Clinton announced that AIDS constituted a threat to national security, thereby underscoring the human security argument that challenges to state security are not always military in nature. Interestingly as a result of AIDS' categorization as a "national security threat," for the first time the US National Security Council would lead the charge against an infectious disease.[11]

A New Bilateralism

Proper management of relations with the US must return to the fore of Canada's external affairs agenda, if not for strategic reasons, than for pragmatic ones. Like it our not, our wagon is hitched to the American star. Cultivation of amicable relations, let alone strategic alliances, of late has been onerous due to inherent strains of anti-Americanism in Canada. MacFarlane notes, "[...] the ultimate issue in Canadian security is and always will be the United States. Our positive and constructive relationship with the United States is the basis on which all of these other things become possible. It makes sense, consequently, to manage that relationship well. On the whole we do. But an

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[10]Kenneth H. "Buddy" MacKay Jr., Special Envoy of the President to the Americas and Head of the U.S. Delegation to the 30th OAS General Assembly in Windsor, Ontario, June, 2000.

[11]Cable News Network (CNN), April 30, 2000. Further, White House Deputy Spokesman Jim Kennedy added that the administration also believes that AIDS is "more than a legitimate ongoing health threat, but also has the potential to destabilize governments such as African or Asian nations, which makes it an international security issue."

excessively robust pursuit of elements of the human security agenda that directly contradict and greatly aggravate the United States may create knock-on effects in the relationship on the whole [...]"[12]

As Foreign Affairs Minister, Axworthy argued for promotion of democracy, respect for human rights, prosecution of war crimes, peace-building, civilian protection, small weapon and landmines reduction and elimination, anti-terrorism efforts, combating human smuggling and child soldiers and so forth. Delvoie notes this "everything but the kitchen sink" approach to foreign policy development means that, "Taken in its entirety, this agenda would seem to represent a call, not for government policy but for divine intervention, since it does not fall far short of a programme for the elimination of evil in the world."[13] To give relevance to expanded security thought in bilateral relations, it is incumbent that DFAIT further hone and sharpen its thinking and policy-priority setting.

Past efforts to give human security relevance in Canada-US relations were driven by normative goal-setting and rhetorical, anti-American sloganeering[14]. The most significant development in modern Canadian foreign policy, however, is that Manley's modus operandi hinges on promotion of trade, sharing of technology and market diversification as the new approach to pursuing bilateral and multilateral relations. Given Bush's tendencies towards market-driven foreign policy and comfortability with Mexican politics and economics, it is all the more urgent that prudence and thoughtfulness govern management of Canada-US relations.

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[12]Neil MacFarlane, "A Cheer and a Half for Axworthyism," *Policy Options*, January-February 2001, p. 58.

[13]Louis Delvoie, "Curious Ambiguities: Canada's International Security Policy," *Policy Options*, January-February 2001, p. 38.

[14]Accommodative Canada-US relations from the mid-eighties to the early-nineties fuelled a vitriolic Liberal foreign policy platform in the 1993 General Elections. Excerpts from Red Book I are instructive, and demonstrate that pursuit of human security values in Canada-US relations is consistent with party ideology: "A Liberal government will adopt a broader definition of national and international security [...] In rejecting a camp-follower approach in favour of pursuing a partnership with the United States, Liberals will cooperate with the US administration in areas where their ideas are particularly suited to our goals." (Red Book I, *Creating Opportunity*, Liberal Party of Canada, 1993, p. 106.) Earlier strains of anti-Americanism began with Axworthy's belligerent 1993 condemnation of the "US-centered bilateral approach of the Conservatives." (Lloyd Axworthy *Liberal Foreign Policy Handbook*, May 1993) This tendency carried throughout the mandate; as later noted, "[...] changes on the international scene and in internal American politics demand that we exercise our responsibilities, and if we must set ourselves apart from the United States when our interests are at stake, then so be it. The situation in the world today no longer demands our unconditional loyalty to the US leadership in the higher interest of global security." (Lloyd Axworthy, "Between Globalization and Multipolarity: The Case for a Global, Humane Canadian Foreign Policy," DFAIT, 1996, p. 4)

Political and Tactical Thinking

Drawing from former Canadian Ambassador to the US Raymond Chrétien's comments that a President Gore "would make life easier for us," Access to Information documents show that DFAIT predicted a President Bush would concentrate on "homeland" defence. The memo notes, "A Bush Presidency represents a new team with a new style and new agenda. Under his watch, Canada can expect a sharper focus on U.S. 'vital interests' abroad and decreased emphasis on the role of multilateral institutions, particularly the United Nations. Pressure will likely be exerted on Canada and its NATO allies to share greater parts of peacekeeping burdens in the Balkans and similar places considered to be outside America's national interests."[15]

In contrast, a Gore administration was seen as likely to pursue human security by deploying American troops to multilateral efforts in global hotspots and areas where threats to civilian safety, regional stability and democracy abound. "A Gore Presidency will not likely be dramatically different from that Canada has become accustomed to during the Clinton era. His domestic and foreign policies parallel many Canadian foreign policy approaches."[16] In contrast, the depiction of a Bush administration preoccupied with promotion of national self-interest suggests a rather narrow interpretation of international security and the causes of international instability.

This depiction, in retrospect, is not entirely correct. For example, despite a deep-seated suspicion of foreign policy pursuits that stray from a minimalist definition of the "national interest," now National Security Council Director Condoleezza Rice wrote during Campaign 2000, "'Humanitarian intervention' cannot be ruled a priori. But a decision to intervene in the absence of strategic concerns should be understood for what it is. Humanitarian problems are rarely only humanitarian problems; the taking of life or withholding of food is almost always a political act."[17] Furthermore, during the Summit of the Americas in Québec City, President Bush himself implied American foreign policy and security thinking should be expanded when, after taking note of an impending energy shortage, he stated that a Canada-US energy agreement would be "good for our [national] security."

Paradigm Articulation and Policy Options

Development of analytical lenses through which foreign policy is articulated requires changing the way we look at problems and identify possible solutions. To understand the relevance of human security to Canada-US relations, it is important to study the approach in the context of specific areas of policy concern. This section comments on several spheres of engagement in Canada-US relations that, under the human security umbrella and in conjunction with pursuit of free trade, constitute areas in which a redefinition of national security can expand and strengthen bilateral cooperation.

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[15]DFAIT, "2000 United States Election Results and Implications," (briefing note) November 23, 2000, p. 2.

[16]DFAIT, op.cit., p. 3. The document continues, "Gore's international vision has two main elements. *Forward engagement*-- a policy that addresses global/regional problems in their early stages and the *New Security Agenda* concept-- essentially an expansive definition of what constitutes a threat to America's national security."

[17]Condoleezza Rice, "Promoting the National Interest," *Foreign Affairs*, Volume 79, No. 1, January/February 2000, p. 53.

A Continental Border Policy

Since the enactment of the Free Trade Agreement (FTA), trade between Canada and the US has increased by over 100 per cent, resulting in over 110 million Canada-US border crossings a year. This massive transborder movement of people, goods and vehicles requires that both states maximize the processing of legitimate tourist and business travelers while at the same time devoting resources to prevent the unfettered continental movement of transborder criminal elements. In this regard, a reinvigorated human security agenda for Canada and the US addresses continental security by facilitating homeland defence vis-à-vis controlled entry, exit and internal continental travel.

Point in case in December 1999, Ahmed Ressam was arrested at the Canada-US border after explosives were found in his car. His conviction in April 2001 underscored the permeability of the Canada-US border, its contribution to continental terrorist movement and the threat terrorism poses to civilian populations. In terms of hemispheric security, outgoing US Ambassador to Canada Gordon Giffin advocated the need for a harmonized continental border policy to minimize the use of Canada as a continental entry point for terrorists. He notes, "One of the reasons that the border is difficult is because of the need to have law enforcement functions be rather stringent at the border [...]"[18]

- To strengthen counter-terrorism initiatives and law enforcement and quell transborder movement of weapons, illegal narcotics and other contraband used to finance crime, the Government should table legislation to implement an "integrated continental border policy" between Canada and the US[19]. Corollary benefits include added scrutiny of illegal migration, human smuggling and other illegalities while allowing freer movement of legitimate travelers. [20]

Canada and the US are now experimenting with dedicated lanes for frequent and low risk travelers in a pilot project called NEXUS, located at the Blue Water Bridge crossing between Port Huron, Michigan and Sarnia, Ontario. Drawing on the joint desire to improve detection of border-related criminal activity:

- Canada-US border crossings should be regulated by a joint agency representing the harmonized interests of both governments, much in the way that inter-state travel is possible within the European Union (EU).

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[18]*National Post*, April 9, 2001.

[19]Bilateral cooperation regarding issues of joint concern have a long history in Canada-US relations, aptly demonstrated by the continued relevance of the International Joint Commission (IJC), established in 1909 by the *Boundary Waters Treaty*. The IJC, which is comprised of 3 commissioners from each country, investigates issues pertaining to air and water pollution, Great Lakes cleanup efforts and protection of competing water interests in accordance with rules established by both governments regarding interests such as applications for dams or canals, limiting water levels and flows to protect waterfront properties and wetlands, farming and shipping interests.

[20]The US Congress recently deliberated on full enforcement of Section 110 of the *Illegal Immigration Reform and Immigrant Responsibility Act*, which would require Canadian travelers to submit to an entry and exit security check at the border, in response to concerns that Canada was being used as a transit point for criminals entering the States.

- Border crossings in both directions should have dedicated routes for Canadian and American citizens who (for frequent or low risk travel) would carry a common identity card similar to the one used in the NEXUS project.

- In order to identify criminal movement, Canada and the US should share dedicated computer technology and information at all border crossings. This system should be configured to "red-flag" would-be-crossers under warrant for arrest anywhere in North America, sought by International Police and/or having criminal records for crimes that endangering the public safety.

- A bilateral and common perimeter entry/exit policy should be instated for all entrants to North America to ensure that those who see Canada as an entry point for illegal migration, safe haven for wanted criminals or place to conduct illegal enterprises are unable to access the continent.[21]

Human Smuggling

The smuggling of humans involves the for-profit transport of a person. The UN estimates that the human smuggling industry generates an annual global revenue of over $7 billion. Although human smuggling has a long history in Canada and the United States, it gained public notoriety after boatloads of Chinese migrants landed on the shores of British Columbia during the summer of 1999. As details regarding the sheer extent of the industry were discovered, government recognized the need for action.

As recently as January 2001, roughly 300 Chinese migrants illegally entered the United States after landing in Canada, resulting in Immigration Minister Caplan coming under fire from north and south of the 49th parallel. The cause for concern studies showing Canada's lax immigration laws as contributory to the influx of illegal aliens to the US. For example, the International Crime Threat Assessment report prepared by the CIA, FBI, US Customs Service and several other security agencies describes Canada as a "gateway" for Asian gangs, human smugglers other criminals to enter the United States and raises concerns regarding the porous Canadian border. Much of this frustration, again, is borne of Canada's relaxed immigration laws. Whereas the United States immediately deports illegal migrants, Canada's Charter of Rights and Freedoms extends to every person the right to deportation hearings. Unless there is reason to fear that a person may endanger the safety of the Canadian public, most illegal immigrants are released and asked to return on their own recognizance.

- With reference to human smuggling, Canada and the US should adopt a common and stringent set of imprisonment and fine terms for those caught partaking in the smuggling of people anywhere on the North American continent, or conspiring to bring to the continent any human cargo.

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[21]The *Canadian Charter of Rights and Freedoms* ensures that all entrants to Canada, legal or illegal, are granted entry to the removals hearing process unlike the United States where automatic removals are standard practice, therefore this issue would have to be dealt with in Parliament rather than by regulatory change through Governor-in-Council order.

National Missile Defence

Few bilateral security issues match the sensitivity and diplomacy required when dealing with the United States regarding National Missile Defence (NMD). The spectre of nuclear war has hovered like a dark cloud over the world since the nuclear bomb was invented. This potential destroyer of humanity has resulted in an ever-pervasive fear of annihilation and derogates from the right to live free from fear. Nevertheless, on 5 previous occasions US Governments have unilaterally indicated an interest in creating NMD-related security architecture in preparation for war. Canada and several members of the EU recently criticized the NMD project, citing its conflict with the 1972 Anti-Ballistic Missile (ABM) Treaty, which supports the prohibition of any national shield-related defence systems,[22] and undermining of the non-proliferation movement.

On May 4, 2000 Axworthy urged the US not to continue its NMD plans. He wrote, "Nuclear-weapon states have dramatically increased the fragility of the regime both by recent actions and, in certain critical instances, their inaction. Other states, perceiving weakness, have seized on this frailty and pursued the regime in even greater jeopardy."[23] The proposition has also come under fire from former US Secretary of Defence William Perry (1993-7) who states that NMD increases the threat to global security, and ergo hemispheric security. He notes, "A decision to deploy couldYactually increase the threat against us."[24]

If asked to partake in NMD, Canada must carefully evaluate what implications that decision holds for the future direction of Canadian foreign policy, pursuit of a human security agenda and ultimate goal of reducing, not increasing, the world's stockpile of ballistic weapons and delivery systems. Without a doubt, a decision to support and participate in NMD represents a radical turn away from initiatives to demilitarize and deescalate. It would also constitute an unequivocal repudiation of new security thought which rejects weapons as tools for peace, thereby highlighting an interesting paradox, i.e. if cultivation of positive Canada-US relations is a priority, why reject NMD? The answer is simple. The politics of accommodation in no way suggest we abdicate our own deepest and most cherished values as a nation, only that we build a bilateral relationship strong enough to resist damage in the context of such disagreements.

Therefore,

- Canada should (albeit softly) reject participation in the NMD program on the grounds that it is not consistent with the foreign policy goal of reducing the world's weapons arsenal, while at the

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[22]"A somewhat discordant note was struck in December 1998, when the Foreign Affairs Committee of Canada's House of Commons issued a report condemning US nuclear weapons policy. The report called nuclear deterrence an outmoded policy, and urged NATO to declare a 'no first use' policy, a step that, in the US view, would undercut alliance deterrence policy." (Carl Ek, "Canada-US Relations," *Congressional Research Services- The Library of Congress*, May 17, 1999, p. 7)

[23]*Ottawa Citizen*, May 5, 2000.

[24]*Vancouver Sun*, February 16, 2001. Quoted from a paper presented by William Perry and Gloria Duffy to a global nuclear policy conference at the University of British Columbia's Liu Centre of Global Issues.

same time not openly criticizing the American government for entertaining the policy option. Instead, Ottawa should quite simply state its preference to strengthen the cause of international non-proliferation and disarmament through direct bilateralism.

Joint Multilateralism

Drawing from the strengths of bilateral cooperation in multilateral peacekeeping operations where a combination of Canadian diplomacy and American military precision have enjoyed excellent results, Canada and the US should draw from one another's strengths by pooling and sharing resources before deploying forces to international peacekeeping operations. By promoting a culture of joint multilateralism, a sharpening of the projection of North American values in support of democracy and the right of all people to live in peace can improve the effectiveness of supranational organization-led peacekeeping.

Jockel and Sokolsky recently noted that "[...] the Cold War Canada-US defence relationship, just like the 50-year struggle that necessitated and sustained it, is over."[25] In large part this holds true; the Cold War after all, is over. The end of this alliance, however, allows for deeper exploration of bilateral relations and ways to respond to other new security challenges such as the rising threat of bio-terrorism and promotion of democracy throughout the Americas as allies, friends and mutual supporters. It also allows for a richer understanding of each other's reservations; the US regarding Canada's propensity towards multilateralism and Canada regarding why the US considers human security's goals a derogation of sovereignty and cause for suspicion. In the end, pursuit of shared interests in multilateral operations may consequently bring about other changes, such as a rethinking of the parameters within which NATO, NORAD and the OAS act in a collective, coordinated manner.

The Need for Greater Deliberation

"Human security" is, without a doubt, one of the most misunderstood and maligned concepts in Canadian foreign policy. Rather than gaining acceptance as an important projection of Canadian values and articulation of a principle-based, independent foreign policy vision, it is seen by many as ideological grandstanding, an attack on sovereignty and indiscriminately directed moralism. It didn't have to be this way though.

- Drawing on the 2001-2002 Estimates' call for greater study and understanding of the human security paradigm and its utility in Canadian foreign policy, DFAIT in conjunction with the Canadian International Development Agency (CIDA), CCFPD and interested non-governmental organizations (NGOs), think tanks and academic institutions should initiate a national dialogue on where Canadian foreign policy is going, what positive role human security can play in multilateral and strategic bilateral relations and what theoretical and practical obstacles have to be considered.

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[25]Joseph T. Jockel and Joel J. Sokolsky, The End of the Canada-US Defence Relationship, Occasional Paper Series, Centre for International Relations, Queen's University, Kingston, 1996, p. 1.

- In the interest of reinvigorating and renewing political relations between Canada and the US and acknowledging the role of the Prime Minister in promoting positive bilateral relations, the lost practice of convening annual leaders' summits should be restored. During this time trade relations, securitization and other policy priorities could be explored in a personal, meaningful and high profile format.

A Bilateral Canada-US Hemispheric Security Strategy

Canada's greatest failure in foreign policy is an unfaltering belief that engaging pressing issues in a solely multilateral, rather than strategic bilateral, way can solve the world's problems. Instead of engaging a targeted program of individualized bilateral relations, Canada's pursuit of human security has been confined to broad and diluted multi-state fora. With reference to Canada-US relations, this strategy has actually exacerbated tensions.

Rather than continue along this doomed dialectic of non-engagement, Ottawa should enter direct negotiations with Washington on the need for a hemispheric security agenda in response to a wide array of continental security concerns including environmental degradation, access to energy, trans-border criminality, spread of disease and so on. Despite the inclination of the Bush administration's tendencies towards realist-inspired foreign policies and security conceptualization, framing expanded threats to human security in the context of national security for both countries may stimulate cooperation.

- To engage scholarship and policy support of human security thought in bilateral relations, Canada and the US should explore the creation, funding and operation of a *Canada-US Hemispheric Security Centre*. Given the contextual nature of threats to human security realized in North America, this centre would be responsible for identifying and proposing potential remedies for a wide range of problems including the aforementioned spheres of influence to Canada-US relations.

Conclusion

Canada-US relations are dynamic and fluid; there is no "One True Way" to promote productive bilateral relations. When finesse over confrontation has been sought in bilateral relations, Liberals have shown how easy it is to harness anti-Americanism for partisan gain. When Ottawa has distanced itself from the US and expressed its independence rather be accommodative, Washington has not hesitated to marginalize and ignore the "Great White North." Nevertheless, efforts by Canadian foreign policy practitioners to act, not in deference or contradiction, but in *concertation* with the US, will do much in the national interest. Exploration of human security as part of that balanced foreign policy agenda also satisfies a deep and inherent Canadian tendencyCthe desire to speak with a responsible and independent voice in world affairs while defining ourselves in terms of our promotion of tolerance, temperance and respect of human rights.

Manley is well poised to embark upon a balanced foreign policy calculus that draws from the best of Conservative and Liberal agendas, i.e. satisfaction of Canada's economic, humanitarian and security interests and cozying up with the homeland security-obsessed Bush administration. Moreover, close Canada-US relations allow for greater Canadian autonomy and efficacy in regional and international agenda setting and pursuit of collective security, [26] a necessary move considering that "[...] there are real limits to Canada's ability to pursue a foreign policy visibly at variance with the US [...] the price to be paid by Canada for a foreign policy based on independence for the sake of independence could be a Canadian peripheralization in Washington."[27]

In real terms, cooperating with the US on promoting human security in North American affairs will increase Canada's ability to deepen its institutional ties to the hemisphere by involvement in the democratization of governance, peace-building, reach continental consensus on the appropriateness of foreign intervention in theatres of conflict and project Canada-US security values throughout the OAS and around the world.

Norton rightly points out that some of Canada's leading foreign policy experts, "[...] would have us believe that Canada's global reputation, ability to pursue a global agenda, and its very peace and prosperity all relate to the strength of the US relationship. That may seem like a lot to swallow-- but the Chrétien Government itself stated: 'good management of that relationship is our overriding priority. Much of what we do bilaterally, regionally and internationally relates directly to the management of that special relationship'."[28] This wisdom applied to Canada-US relations implies that a healthy Ottawa-Washington dyad will allow for greater latitude in pursuing human security initiatives on a continental basis, however, the further challenge for Manley, if successful, is to figure out how that perch can be used to project security across the hemisphere and around the world.

If Manley can forge a model for the practice of human security between Canada and the US as an outgrowth of expanding trade relations, he will have successfully married the tri-fold imperatives of warming relations with President Bush, pursuing Canada's economic interests and vocalizing Canada's normative foreign policy goals. He notes, "Humanitarianism and promoting Canada's economic prosperity are intertwined. You can't have an economic relationship with a country where human security is not assured. That includes the rule of law and a functioning legal system. I see them as tied together."[29]

Despite attracting the world's attention to Canada's dogged efforts to promote human security as an alternative vision for the post Cold War diplomacy, much work has to go into repairing damage done to Canada-US relations on the way and engage the new Bush administration such that its own

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[26]For example, due to the closeness of Canada-US relations during the early 1990s, Canada was able to opt out of the Strategic Defence Initiative (SDI) without negative economic or political repercussions.

[27]Joseph T. Jockel, "The 1993 Canadian General Election and US Relations with Canada," CSIS Americas Program, Volume IV, Report No. 4, October 12, 1993, p. 5.

[28]Roy Norton, "Posture and Policymaking in Canada-US Relations: The First Two Mulroney and Chrétien Years," *Canadian Foreign Policy*, Vol. 5, No. 2 (Winter 1998), pp. 33-4.

[29]John Manley, "New Minister, New Vision," *Canada: World View*, Issue 11, Spring 2001, p. 4.

conception of the "national interest" is expanded. The are, of course, normative and ulterior motives for Canada to do so. After all, it is the strength of the Ottawa-Washington relationship that gauges the seriousness with which our efforts around the world are regarded. By pursuing a balanced, prudent strategy of expanding Canada-US trade while at the same time recasting continental and hemispheric security threats as threats to American homeland defence, Manley has the opportunity to take a bold step towards ensuring American participation in world affairs.

Canada's foreign policy interests, be they economic, human security, social or political, are strengthened or weakened by the state of bilateral relations with the US.

It's high time we started working with, not against, our neighbours south of the 49th parallel.

Even if it's with the "soft" stuff.

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Les Valeurs Canadiennes:
Fins ou Moyens de la Politique Étrangère?

by

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En politique étrangère canadienne, de nombreux instruments commerciaux et diplomatiques sont utilisés afin d'augmenter l'influence du pays dans le système international. Cependant, ce n'est que tout récemment, en 1995, que le gouvernement a spécifiquement inscrit *la promotion de ses valeurs* comme un des trois objectifs principaux de sa politique étrangère. Dans le document *Le Canada dans le monde*, on a présenté ces orientations: 1- promouvoir la prospérité et l'emploi en favorisant le commerce international et les intérêts économiques du Canada, 2- protéger la sécurité canadienne dans un monde stable et, 3- projeter les valeurs et la culture canadiennes dans le monde[1]. Si on souligne, dans le même document, que ce dernier principe est à la fois une fin en soi **et** une façon d'atteindre d'autres objectifs prioritaires[2], il demeure que ce double objectif est problématique : peut-on promouvoir les valeurs comme des fins en soi en politique étrangère?

L'histoire américaine nous amène à penser que l'orientation mondialiste et idéaliste des États-Unis, basée sur des valeurs telles la démocratie et les règles de droit, est avant tout un objectif poursuivi par les gouvernements dans le but d'assurer la sécurité au pays: comme le disait clairement Reagan: «Nous croyons que plus les libertés des autres pays sont grandes, plus notre paix et nos libertés sont assurées chez nous»[3]. Cette idée est contestées par les théories fonctionnalistes mais les thèses plus politiques des structuralistes (auxquelles la tradition américaine n'échappe pas) soulignent que les valeurs libérales peuvent d'autant servir d'instruments servant à assurer la sécurité nationale que celle-ci est prioritaire pour les États souverains. À la lumière de l'expérience américaine, nous allons donc observer comment s'inscrit la promotion des valeurs dans les discours soulignant les objectifs de politique étrangère du Canada, et ce, afin de voir dans quelles mesures elles peuvent être promues soit pour leur *mérite inhérent* ou comme un moyen d'atteindre les *autres* objectifs prioritaires.

Théoriquement, les valeurs réfèrent aux conceptions de ce qui est désirable et forment la base du jugement que les citoyens ont quant à leurs mondes politique, économique et social[4]. Quelles sont donc ces valeurs auxquelles les Canadiens portent de l'importance? Il n'existe pas véritablement de consensus sur ce que l'on entend par valeurs canadiennes. En effet, selon les répondants, les valeurs seront associées aux directions que devraient prendre les politiques publiques, le commerce, les politiques internationales, etc. et couvriront des aspects aussi larges que la démocratie et aussi précis que l'investissement (par exemple). Dans notre analyse nous nous attarderons à comprendre l'idée plus précise de *promotion* des valeurs telles que définies dans les objectifs de la politique étrangère canadienne.

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[1] Tiré de «Le Canada dans le monde». On line: http://www.dfait-maeci.gc.ca/francais/foreignp/cnd-world/menu.htm.

[2] «Le Canada dans le monde. V. Diffuser les valeurs et la culture canadienne». On line: http://www.dfait-maeci.gc.ca/francais/foreignp/cnd-world/menu.htm.

[3] «We believe that the greater the freedoms in other countries the more secure both our own freedoms and peace», Ronald Reagan, mai 1988. Cité dans : Russett, Bruce. *Grasping the Democratic Peace, principles for a Post-Cold War World*. Princeton: Princeton University Press, 1993, p.127.

[4] Nevitt, Neil. «Value Change and Reorientations in Citizen-State Relations». *Analyse des politiques*, vol. XXVI (2), 2000, p.S74.

Les Valeurs Canadiennes À L'étranger

C'est dans le document *Le Canada dans le monde* que nous retrouvons les six valeurs principales que l'on privilégia en politique étrangère canadienne (PEC) dès 1995:

1- Le respect des droits de la personne
2- La démocratie
3- Les règles de droit dans le système international
4- Le développement durable
5- L'éducation
6- Les affaires culturelles

Voyons en quoi ce document et d'autres qui s'inscrivent en complément des orientations de la PEC reflètent soit des objectifs politiques et stratégiques liés à des enjeux de puissance au sein du système international, soit des intérêts d'empathie[5] poursuivis par le gouvernement canadien.

On y dit d'abord que **le respect des droits de la personne est dans l'intérêt du Canada**. On ajoute: «nous utiliserons toute l'influence que nous confèrent nos relations économiques et commerciales et notre aide au développement pour promouvoir le respect des droits de la personne». Dans cette optique, les valeurs associées à l'ouverture au niveau commercial précèdent la promotion des valeurs liées aux droits de la personne : les premières servent d'instrument aux secondes.

L'exemple de la Chine est présenté: «on multiplie les contacts afin d'ouvrir ce pays aux valeurs canadiennes comme il s'ouvre au commerce international»; l'adoption de valeurs canadiennes permettrait effectivement d'assurer une meilleure stabilité dans les échanges du Canada avec la Chine mais il demeure dans l'intérêt stratégique (de sécurité économique), du Canada comme des États-Unis, de commercer avec elle sans faire du respect des droits de la personne une condition préalable à ce commerce.

La promotion des droits de la personne à l'étranger et l'aide internationale qui y est liée soulèvent de nombreuses critiques : on s'inquiète que cette aide soit de plus en plus promue comme un véhicule permettant de faire la promotion des échanges et des investissements chez soi[6]; *Le Canada dans le monde* affiche d'ailleurs cette tangente: «L'aide internationale est un investissement dans la prospérité et l'emploi. L'aide internationale tisse un lien entre l'économie canadienne et des marchés comptant parmi les plus dynamiques au monde, à savoir les marchés des pays en développement[7]». Bien que d'une part on considère que l'aide soit aussi

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[5] « empathic interests » et «Ythe intangible pressures of ethical valuesY ».North South Institute, cité dans Nossal, Kim R. *The Politics of Canadian Foreign Policy, 3ème édition.* . Scarborough: The Prenctice Hall, 1997, p.112.

[6] Pour un rappel des débats voir Cooper, Andrew F. «The Scattering of Purpose: Canada and development Assistance» (chap.6) . *Canadian Foreign Policy, old Habits and New Directions*. Scarborough: The Prenctice Hall, 1997. Voir aussi : Clark, Joe. «Business of Human Rights», Behind the headlines. Automne 1996.

[7] «Le Canada dans le monde: l'aide internationale». On line: http://www.dfait-maeci.gc.ca/francais/foreignp/cnd-world/chap6.htm

représentative des valeurs désintéressées (de la volonté d'aider), de nombreux auteurs parlent d'autre part d'instrumentalisation des valeurs, voir même de privatisation des relations nord-sud, dans le contexte de la sécurité et des intérêts du Nord[8].

Et si on regarde à la façon dont le Canada s'organise pour atteindre ce troisième objectif, certaines entreprises canadiennes, investisseurs *sociaux*, universitaires et représentants des ONG, rassemblées par le *Canadian Business for Social Responsability* pour commenter la direction de la PEC, soulèvent certaines contradictions. Ils dénoncent le fait que le Canada tient à maintenir son leadership en faisant la promotion des droits de la personne alors que, appuyant les États-Unis et la Grande-Bretagne, l'État encourage la création d'un environnement légal dans lequel la citoyenneté corporative globale (*global corporate citizenship*) peut être promue de façon efficace[9]. On parle également d'incohérence entre la demande, par le Ministère (MAECI), de pratiquer un commerce responsable (*responsible trade*) qui encouragerait le respect des droits, et la priorité donnée à la promotion des activités des entreprises au niveau des ambassades canadiennes à l'étranger : ces entreprises ne sont pas tenues de pratiquer des activités assurant le respect des droits de la personne (aucune sanction n'est prévue). On dit aussi que les entreprises qui cherchent à pratiquer le commerce responsable ne se voient pas offrir d'avantages (incitatifs) par rapport à celles qui ne le font pas[10].

Par ailleurs, lors de l'une de ces rencontres (organisées par le *Canadian Business for Social Responsability*), on souligne que la définition de valeurs canadiennes est trop vague et trop prétentieuse pour être la base de l'implication des entreprises canadiennes en politique étrangère. On ajoute que cela pourrait être perçu comme étant paternaliste et que cela pourrait soulever des arguments fondés sur le relativisme culturel. On s'entend toutefois, par fort consensus, pour dire que la Déclaration universelle des droits de la personne devait servir de standard[11].

Ensuite, on souligne que **la démocratie favorise la stabilité et la prospérité**. Traditionnellement, l'idéal démocratique de Wilson s'appuie sur l'idée que les démocraties ne se font pas la guerre entre elles (bien que les États démocratiques puissent entrer en guerre contre des États qui ne le sont pas)[12]. La sécurité en terme traditionnel des États canadiens et américains est d'autant plus assurée que la promotion de la démocratie encourage la stabilité et l'ouverture au niveau global, ce qui est confirmé dans le document *Le Canada dans le monde*[13]. L'objectif de

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[8] Voir entre autres : Irwin, Rosalind. 1998. «Ethics and Security in Canadian Foreign Policy: New Dilemmas and Questions». *YCISS Occasional Paper*, no 53, p.25.

[9] Canadian Business for Social Responsability (CBSR). *Roundtable on Canadian Firms / Canadian Values: Foreign Policy Implications of Business. Canadian Firms Operating in Risky States*. Vancouver, 2 mai 2000.

[10] *Ibid.*

[11] « to assume that Canadians have cornered the market on good social and environmental practices ». *Ibid.*

[12] Voir les tableaux statistiques concernant les conflits et les probabilités de conflits entre États démocratiques et non démocratiques dans Russett, Bruce. *op.cit.*

[13] «L'application de ces valeurs sera cruciale pour le maintien de la sécurité internationale devant les nouvelles menaces posées à la stabilité. Leur adoption au plan international sera aussi essentielle pour garantir leur viabilité dans notre propre pays. Le Canada ne pourrait s'isoler d'une communauté internationale faisant peu de cas de certaines valeurs qui fondent notre identité «Le Canada dans le monde, suivre la voie». On line: http://www.dfait-

sécurité l'emporte-t-il sur la promotion de la démocratie pour ses propres mérites? La question demeure complexe mais il est intéressant de regarder de plus près aux implications concrètes liées à la promotion de la démocratie.

Effectivement, le Canada se démarque des États-Unis sur des aspects plus techniques[14] qu'idéologiques, entre autres par ses activités de consolidation et de maintien de la paix et l'accent qu'il met sur la sécurité humaine, le Canada travaille à mettre sur pieds des institutions démocratiques dans les pays en transition. Cependant, selon Denis Stairs, ce qui a changé c'est que le maintien de la paix est devenu un véhicule de promotion des valeurs canadiennes: il soutient que c'est depuis le resserrement des liens avec les États-Unis que le Canada cherche à persuader les autres sociétés à adopter le mode de vie canadien, alors qu'auparavant, il était plus enclin à les considérer telles qu'elles étaient, peu importe leurs systèmes politiques. Si à l'époque on critiquait l'attitude américaine et l'idée selon laquelle «le mode de vie américain est le meilleur et il faut inciter les autres à l'adopter», aujourd'hui les Canadiens, totalement imprégné de la conception libérale, considèrent eux aussi les autres modèles comme étant inférieurs[15] et posent le leur en exemple.

En troisième lieu, on lit **: le système international doit être régi par le droit et non le pouvoir. L'établissement des règles de droit aide à restaurer l'équilibre des forces**. Les droits devraient permettre l'égalité des chances pour tous et ainsi, au niveau international, assurer la transparence et la prévisibilité. Par ailleurs, au niveau du commerce, le Canada et les Etats-Unis (par l'ALE), se sont positionnés en situation d'inégalité par rapport aux autres membres de l'OMC en se servant de l'ambiguïté de l'article XXIV du GATT et en évitant la clause NPF pour créer un accord préférentiel touchant le commerce bilatéral d'abord, (trilatéral ensuite et multilatéral avec la ZLÉA).

L'entente mutuelle quant à la façon d'organiser le commerce, implicite dans cet accord, crée entre eux une communauté d'intérêt qui les renforce par à rapport une économie globale où les règles de droit sont de plus en plus générales et hermétiques. L'établissement des règles de droit dans les accords de libre-échange aide-t-il à restaurer l'équilibre des forces ou sert-il plutôt à inscrire les valeurs des États les plus puissants dans les normes des institutions régionales d'abord et internationales ensuite?

Dans d'autres domaines du droit (que le droit commercial), le Canada usera de son influence, cherchera à se démarquer des États-Unis (la mise sur pied d'une Cour criminelle internationale, le traité d'interdiction des mines antipersonnelles, par exemple) et fera la promotion de ses propres actions. Les formes d'application concrètes de ces valeurs liées à la primauté des règles de droit pourraient ainsi être qualifiées de canadiennes.

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maeci.gc.ca/francais/foreignp/cnd-world/chap2.htm

[14] Stairs, Denis. «Libéralisme et triomphe de l'efficacité dans les relations canado-américaines». *Isuma*, printemps 2000, p.15.

[15] «YY nous exigeons désormais [des autres sociétés] qu'elles montrent des signes de pratiques politiques libérales avant de daigner leur offrir notre aide. Il n'y a pas si longtemps, pourtant les Canadiens étaient prompts à se vanter qu'ils ne menaient pas de politiques dirigistes». Stairs, Denis. *Ibidem*.

Selon le gouvernement canadien, **le développement durable** veut dire «concilier environnement et économie» et devrait être la quatrième valeur à promouvoir en PEC. Dans ce domaine également, le problème du mauvais prêcheur se pose: «À plusieurs égards, le Canada affronte des problèmes de développement qui ne sont pas très différents de ceux qu'affrontent les pays en développement, notamment les difficultés de gestion des ressources, l'urbanisation, l'adaptation au pluralisme culturel et l'écart croissant entre les riches et les pauvres[16]». On doit donc investir en ce sens et miser sur les avantages que procureront ces investissements à long terme. Pour adresser la proposition au public, on précise que le Canada n'est pas le seul à promouvoir l'évaluation environnementale des nouvelles négociations commerciales bilatérales et multilatérales: on rassure en disant que les États-Unis, l'Union européenne et un certain nombre d'organismes internationaux non gouvernementaux mènent de telles évaluations. Ce qui permet à Pierre Pettigrew d'annoncer que «la prise en compte des aspects environnementaux au moyen du mécanisme d'évaluation des répercussions environnementales des négociations commerciales ne fera que *renforcer* la politique commerciale du Canada »[17]. Aussi, lorsque le gouvernement défend l'idée de développement durable devant l'OMC, il souligne qu'il faut atteindre cet objectif en restreignant le moins possible les activités commerciales[18].

Les demandes de la population canadienne en matière de protection de l'environnement sont rationalisées et normalisées en mettant de l'importance sur les avantages comparatifs à long terme que représente un environnement sain. Pour inscrire ces normes, on préfère se rapporter au contexte régional que multilatéral : les traditions bilatérales surtout, et les communautés d'intérêt qui en découlent, demeurent des règles non écrites d'importance et qui encouragent mutuellement les États à suivre les règlements afin d'en faire profiter leur pays à long terme[19].

Cinquièmement, on parle du savoir et de **l'éducation** comme étant des éléments essentiels à l'avancement des intérêts canadiens dans les affaires internationales. En politique étrangère, on prévoit des programmes établissant des institutions éducatives à l'étranger, on *exporte* son savoir (on trouve à l'étranger 273 programmes d'études canadiennes) et encourage la venue d'étudiants étrangers (dans un ordre de 2,5 M $ en 1995). En 1998, Sergio Marchi annonçait que l'éducation était maintenant une industrie[20] et qu'il fallait miser sur l'investissement dans ce domaine afin

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[16] «Réseau de recherche sur les défis et possiblités de la mondialisation, rapport II: Évaluation des nouvelles menaces à la sécurité humaine. Projet de recherche sur les politiques». On line: http://policyresearch.schoolnet.ca/keydocs/global2/vol2rap6-f.htm#3

[17] News Release, no.15. 5 février 2001 *Le ministre Pettigrew rend public le cadre d'évaluation environnementale dans le cadre de négociations commerciales.*
On line: http://198.103.104.118/minpub/Publication.asp?FileSpec=/Min_Pub_Docs/103893.htm

[18] Commerce et environnement. 4 octobre 1999. «Position du Canada en matière de commerce et d'environnement pour le nouveau cycle des négociations de l'OMC». Consultations sectorielles - On line: http://www.dfait-maeci.gc.ca/tna-nac/discussion/envirn_pr-f.asp

[19] Baker Fox, Annette. *Canadian-American Public Policy. Observing the rules: Canada-US trade and environmental relations*. Canadian-American Center, no.31, novembre 1997, p.29.

[20] « Canadian Education Summit in Toronto », octobre 1998. Cité par John Graham in Hampson, Fen Osler et Michael Hart et Martin Rudner. *Op. cit.* p.150.

d'entretenir l'avantage comparatif du Canada en matière de main d'œuvre qualifée. Cependant, la coordination des projets s'est révélée difficile par le passé : de nombreux projets n'ont pas vu le jour parce l'éducation relève des juridictions provinciales, ce qui entraîne des fragmentations des projets de nature culturelle[21].

Malgré cela, c'est surtout au niveau des politiques publiques que l'on entretient les valeurs liées au développement de l'éducation: «Dans une économie mondiale davantage axée sur les connaissances, la qualité des personnes, leur éducation, leur ingéniosité et leur adaptabilité sociale deviendront des éléments clés du positionnement sur la scène internationale[22]». Ainsi, on veut s'assurer que les sociétés canadiennes bénéficieront des avantages liées à la recherche et au développement, ce qui leur permettra de maintenir un avantage concurrentiel[23], d'attirer les investissements et de remplir les objectifs de sécurité et de prospérité qui y sont liés.

Enfin, *Le Canada dans le monde* dit: «Faire rayonner **la culture canadienne et faire la promotion des industries canadiennes de la culture et de l'enseignement**, pour qu'elles demeurent concurrentielles au pays et à l'étranger, sont des objectifs fondamentaux de la politique étrangère canadienne[24]».John Ralston Saul soutient : la dépendance du Canada à l'égard de la reconnaissance internationale et de la diffusion de sa culture est encore plus marquée que ne l'est celle des grands pays qui sont nos alliés et nos concurrents et qui ont d'autres moyens de rayonner dans le monde[25]. Il s'agit donc de protéger les avantages comparatifs découlant d'une culture unique et qui est vue comme un véhicule des valeurs canadiennes.

Le phénomène d'intégration régionale réduit cependant la capacité du Canada d'inscrire ses valeurs dans les normes et règlements concernant les activités culturelles. Dans le domaine culturel, les mécanismes traditionnels de protection et de réglementation du contenu culturel canadien sont contestés, particulièrement par les États-Unis. Aussi, la culture demeure un des secteurs les plus sujets à faire l'objet de litiges; le cas historique qui a été amené à l'ORD de l'OMC par les États-Unis et qui concernaient les périodiques canadiens a en quelque sorte tracé la voie : le principe d'exception culturelle n'a pas été reconnu au niveau multilatéral[26]. Ainsi, (et

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[21] Hampson, Fen Osler et Michael Hart et Martin Rudner. *Canada Among Nations: A Big League Player?* Oxford University Press, 1999, p.12.

[22] « Le Canada dans le monde; suivre la voie ». *Op.cit.*

[23] «On espère que les entreprises reconnaîtront la valeur du capital physique et intellectuel comme fondement de l'affirmation et du maintien d'un avantage concurrentiel». « Rapports sur la mondialisation et sur la croissance, le développement humain et la cohésion sociale ». Réseaux interministériels du Projet de recherche sur les politiques. 1999. p.43.

[24] « Le Canada dans le monde. V. Diffuser les valeurs et la culture canadienne ». *Op.cit.*

[25] John Ralston Saul constate qu'il n'est jamais fait mention des entreprises ou de la politique canadiennes, pas plus que de notre rôle dans les crises internationales qui secouent notre planète(…). Le Canada n'a aucune existence économique ou politique, mais sa culture est très présente. John Saul conclut que la culture assure la visibilité du Canada. « Rapport sur la mondialisation Canada 2005 - La mondialisation : défis et possibilités. Chap.12, valeurs et cultures ». *Op.cit.*

[26] Gagné, Gilles. «Libéralisation et exception culturelle: le différend canado-américain sur les périodiques». Revue internationales, vol.3 (3), 1999.

malgré les chartes universelles visant à assurer la protection des spécificités culturelles telles que celle de l'UnescoY), «les pressions continentales s'intensifient pour harmoniser les politiques économiques, sociales, environnementales et culturelles nationales du Canada avec celles des Etats-Unis»[27]. De plus, la capacité du Canada de freiner la pénétration des produits culturels étrangers sera également restreinte par les Canadiens eux-mêmes[28], par les changements de valeurs qui les affectent et par leur choix de consommation.

Les Valeurs Au Canada

Il est intéressant de tracer le parallèle entre les valeurs canadiennes promues à l'étranger et l'évolution des valeurs au niveau des politiques publiques au Canada. En effet, pour Irwin, le fait d'avoir inscrit la promotion des valeurs dans les objectifs de la PEC implique qu'il faudra regarder l'envers de la médaille[29] et veiller à appliquer chez soi ce que l'on professera ailleurs. L'exercice est aussi important en ce qu'il permet de cerner les bases idéologiques sur lesquelles reposent ces valeurs canadiennes au tournant du siècle.

Tant au niveau des politiques publiques que de la politique étrangère, l'*égalité* est une valeur qui sert de référence pour les Canadiens en ce qu'elle représente le fondement des principes de droit de la personne, de démocratie et de règles de droit. Lorsqu'il est question d'inscrire l'égalité des chances dans les normes et les règles de droit, il faut, selon Beauchemin, Bourques et Duchastel, considérer que l'égalité des chances en 1995 ne correspond pas à l'égalité dans les malheurs découlant de la vie en société, comme c'était le cas sous l'État-providence[30]; l'égalité des chances réfère à l'idée que l'on doit accorder aux individus les chances de se positionner avantageusement dans un monde où l'on attend d'eux compétence et flexibilité[31]. Donc, l'État prend toujours les individus en charge, en leur donnant les moyens de trouver leur place dans la société[32]. Cependant, le soutien de l'État n'est plus tant *protecteur*, il est plutôt conditionnel au fait que l'individu pourra s'en prévaloir afin de mieux se positionner par rapport à la compétition: «la responsabilité de la société consiste désormais à armer convenablement l'individu en butte à un monde compétitif et exigeant»[33]. Les valeurs libérales de 1995 sont donc centrées sur l'individu, et la sphère publique canadienne demeure disposée à les favoriser.

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[27] « Rapports sur la mondialisation et sur la croissance, le développement humain et la cohésion sociale. Identité, culture et valeurs ». On line: http://policyresearch.schoolnet.ca/keydocs/oct96rep/11_ident-f.htm

[28] « Rapport sur la mondialisation Canada 2005 - La mondialisation : défis et possibilités. Chap.12, Valeurs et cultures ». On line: http://policyresearch.schoolnet.ca/keydocs/global/12ValuesCulture-f.htm

[29] Irwin, Rosalind. *Op.cit.*p.27.

[30]Il s'agissait alors d'un principe réparateur d'une injustice initiale, celle qui fait en sorte que des individus soient désavantagés du fait de leur origine sociale.

[31] Beauchemin, Jacques, Gilles Bourques et Jules Duchastel. «Du providentialisme au néolibéralisme: de Marsh à Axworthy. Un nouveau discours de légitimation de la régulation sociale». *Cahiers de recherche sociologique*, no 24, 1995, p.40.

[32] *Ibidem*, p.24.

[33] *Ibidem*, p.38.

Cette approche au cas par cas crée une forte tendance à l'individualisme et une «lente désintégration du tissu national [canadien]». Pour Richard Gwyn, aucune communauté nationale n'est plus vulnérable que le Canada aux changements mondiaux à cause d'une identité fragile fondée non pas sur l'ethnicité (ou la religion) mais, en grande partie, «sur l'engagement à l'égard de l'égalitarisme et sur les idéaux du sens civique et de la tolérance»[34]. L'identité canadienne en effritement et la difficulté pour un ensemble collectif à maintenir la cohésion sociale dans un monde individualiste expliqueraient pourquoi, selon Denis Stairs, le Canada défend son identité par des moyens tels que les cadeaux promotionnels symboliques et les séquences publicitaires[35].

Pour contrecarrer la perte d'autonomie au niveau de la collectivité et la montée de l'individualisme, on cherche donc, parfois artificiellement, à entretenir les traits distinctifs, les particularités de la société canadienne, et ce, en dépit de l'intégration économique et de la mondialisation. On cherche à ménager la chèvre et le chou. La problématique n'a rien de nouveau : les grands débats entourant l'influence du voisin américain sur l'identité nationale canadienne remontent aux années soixante-dix. Cependant, ce qui apparaît en filigrane des politiques des années quatre-vingt dix et qui visent à promouvoir les valeurs canadiennes, c'est que l'État canadien est porteur et promoteur des valeurs, il n'en est plus le créateur, comme ce fût le cas à l'époque de la pratique de politiques keynésiennes axées sur des conceptions européennes et non américaines de la vie socio-économique. Ainsi, les traits distinctifs des valeurs canadiennes relèvent aujourd'hui du niveau technique, et non du niveau idéologiques[36] puisque de ce côté, la communauté d'intérêt créée par l'intégration nord-américaine a convergé vers la libéralisation et que le Canada ne peut plus s'opposer à cette convergence.

En conséquence, de nombreux canadiens s'inquiètent du sentiment d'identité nationale et entrevoient les conséquences de la faiblesse de celui-ci dans le contexte international: «Un pays dont l'identité ou les valeurs sont indéfinies, dont les citoyens ne s'entendent pas sur les symboles nationaux et qui n'a plus confiance dans ses principales institutions ne peut mettre en oeuvre des stratégies cohérentes dans le domaine des affaires internationales...[cela] restreindra nécessairement la contribution du Canada à de nombreuses initiatives internationales portant sur la culture et les valeurs»[37]. Dans un effort d'inscrire le particularisme canadien au niveau global, on réfère à la notion de puissance douce. Ainsi, pour les groupes[38] qui ont été nommés

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[34] Gwyn, Richard. *Nationalism Without Walls: The Unbearable Lightness of Being Canadian* Toronto: McClelland and Stewart, 1995.

[35] Stairs, Denis. *Op.cit.*, p.11.

[36] Voir Denis Stairs et Beauchemin, Jacques, Gilles Bourques et Jules Duchastel. *Op.cit.*

[37] «Rapport sur la mondialisation Canada 2005 - La mondialisation : défis et possibilités. Chap.12, valeurs et cultures». *Op.cit.*

[38] Il s'agit de collaborateurs attachés à plus d'une trentaine de ministères ou organismes fédéraux, à des administrations provinciales, à des centres de réflexion et à des universités. Au centre du Projet de recherche sur les politiques est un groupe dont la directrice exécutive, Laura A. Chapman, relève de deux coprésidents : Len Good, président de l'Agence canadienne de développement international, et Alex Himelfarb, sous-ministre du Patrimoine canadien. Eux-mêmes relèvent du greffier du Conseil privé et secrétaire du Cabinet, Mel Cappe. « Réseaux interministériels du Projet de recherche sur les politiques ». On line: http://policyresearch.schoolnet.ca/overview-f.htm#qui_nous_sommes.

responsables de présenter aux sous-ministres une série de rapports servant de référentiel global et présentant les fondements intellectuels à la révolution paradigmatique que subit la PEC, «La culture et les valeurs sont des instruments vitaux de la puissance douce. Ils déterminent, dans une large mesure, le rôle et l'influence d'un pays au sein de la communauté internationale» . Ces groupes considèrent que l'élaboration de systèmes de gouvernement mondiaux et d'instruments internationaux est clairement liée à la culture et aux valeurs (ex. : les droits de la personne et l'égalité des sexes) et, par conséquent, ils soutiennent que les pays qui appuient et adoptent des valeurs universelles, comme le fait le Canada, peuvent avoir une influence considérable dans le système international.. Pour ces gens chargés de rendre compte des tendances et de proposer des directions pour la politique étrangère canadienne, les valeurs sont effectivement vues comme des moyens permettant au Canada d'exercer sa puissance (douce ou autre)[39].

Aussi, les concessions, les négociations et le rapprochement des populations que les relations canado-américaine et le mouvement de libéralisation ont provoqué ont résulté en une communauté d'intérêt forte au niveau nord-américain, qui fait que la stratégie canadienne de soutenir son autonomie et d'entretenir son image en tant que puissance nationale (moyenne ou même douce) ne se concrétise que difficilement, voire artificiellement. S'il cherche à mettre en œuvre un processus de politique étrangère qui lui permettra d'être un acteur à au niveau international et d'assurer sa sécurité par, entre autres moyens, ce qu'il nomme ses valeurs, le Canada doit tout de même composer avec l'influence historique que les États-Unis ont eu -et ont toujours- sur lesdites valeurs et par le fait même, sur la formation d'une entité régionale qui subjugue toujours plus la frontière entre les deux États.

Conclusion

Nous n'avons pu dresser qu'un tableau plutôt réducteur des valeurs et de leur représentation au niveau de la politique étrangère canadienne. De la même façon, les groupes et les organisations responsables de mettre de l'avant les politiques étrangères ont été trop partiellement présentés. Mais bien qu'incomplet, notre tableau nous permet d'observer que la continuité dans les intérêts fondamentaux et les valeurs nationales des Canadiens (engagement à l'égard de la démocratie, des droits de la personne et de la justice, respect de la diversité) est contestée: bien que les termes utilisés pour désigner les valeurs demeurent les mêmes depuis un demi-siècle, on parle d'un transfert paradigmatique au niveau du référent; c'est-à-dire que les valeurs sont passées d'un cadre collectif à un cadre individualiste. L'appropriation et la promotion de ces valeurs libérales sont présentée comme nécessaire au processus de mondialisation: on les légitimise par des principes relatifs à des avantages économiques comparatifs et qui serviront à faire face à la compétition internationale et non plus à des principes immanents de justice social ou fondateur du contrat social[40]. Bien qu'elle soit évoquée dans les discours et textes de la PEC, l'idée de

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[39] « Rapport sur la mondialisation Canada 2005 - La mondialisation : défis et possibilités. Chap.12, valeurs et cultures ». On line: http://policyresearch.schoolnet.ca/keydocs/global/12ValuesCulture-f.htm

[40] Thérêt, Bruno. *Op.cit.*, p.92.

réconcilier les préoccupations de sécurité économique avec les valeurs traditionnelles [41] de justice sociale au niveau international a dû être plus ou moins évincée des objectifs. Si le Canada a jamais tenté d'inscrire ses valeurs de justice sociale tout en assurant sa sécurité économique, entre autres en faisant affaire au niveau bilatéral avec la superpuissance américaine, il n'en reste pas moins que la priorité accordée aux objectifs de sécurité semble obnubiler les intérêts d'empathie qui devraient être inscrits dans les valeurs des Canadiens.

Comme on l'a vu, l'identité régionale n'annonce malgré tout pas la mort du sentiment national: ce qui préoccupe aujourd'hui les gens *consultés* et le gouvernement canadien, c'est encore une fois de trouver une façon de promouvoir les valeurs traditionnelles dans le nouvel environnement concurrentiel et une façon de défendre les intérêts du Canada dans le monde[42]. Comme les valeurs traditionnelles relevaient des collectivités et que le nouvel environnement concurrentiel est libéral et repose sur l'individualisme, le gouvernement ne peut que choisir de prioriser l'un ou l'autre des objectifs : les arguments qu'il présente dans *Le Canada dans le monde* nous démontrent que le mérite inhérent des valeurs collectives qui lui étaient particulières est compromis par un monde où la compétition et la quête d'influence dominent. Ainsi, étant donné que la raison d'être de l'État *devrait* être la sécurité de ses populations, ne pourrait-t-on pas supposer qu'en politique étrangère, affirmer que les valeurs peuvent être promues pour leur mérite inhérent ou en tant que fins en soi relève en fait de l'oxymoron?

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[41] Irwin, Rosalind. *Op.cit.*, p.22.

[42] « Rapport sur la mondialisation Canada 2005: La mondialisation : défis et possibilités - Aperçu (introduction) ». On line: http://policyresearch.schoolnet.ca/keydocs/global/volume01-f.htm

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Du libre-échange à une intégration plus poussée: Les acteurs étatiques canadiens et l'élaboration de politiques publiques impliquant un État étranger

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1. Introduction

Durant les deux dernières décennies, des pas énormes ont été franchis au niveau de l'intégration économique du Canada au marché nord-américain. Des politiques publiques comme l'Accord de libre-échange entre le Canada et les États-Unis (ALÉ), succédé par l'Accord de libre-échange nord-américain (ALÉNA), ont été longuement débattues dans la société civile canadienne et se retrouvent parmi les engagements les plus controversés des gouvernements qui les ont introduits. S'intéressant à la théorie de l'intégration dans les relations internationales, des auteurs comme Bela Belassa (1962) et Charles Pentland (1985) ont soutenu qu'une fois les premières phases d'intégration amorcées entre les deux pays, une certaine progression logique amène les étapes subséquentes. Cette proposition semble être appuyée par les considérations maintenant données à de nouvelles étapes d'intégration du Canada au marché nord-américain par les milieux économiques, universitaires et politiques canadiens.

Allant d'un taux de change fixe à une union douanière à une union monétaire, les propositions de changements à la politique monétaire du Canada ont déferlé sur à peu près tous les forums publics du pays. Une revue de ces suggestions nous inspire deux affirmations, lesquelles servent de prémisses à ce texte : (1) Un retour en arrière ne représente pas une option envisageable en ce sens qu'il n'apparaît pas possible d'anticiper un retranchement du niveau d'intégration nord-américaine atteint au moyen des accords de libre-échange. (2) La réalisation de nouvelles étapes d'intégration économique entre le Canada et les États-Unis apparaît inévitable pour un avenir rapproché.

Cet article a comme objectif premier de revoir les principales propositions de ceux et celles qui entrevoient la réalisation de nouvelles étapes dans l'intégration du Canada au marché nord-américain. Il nous apparaît important d'étudier leurs propositions dès maintenant, alors que toutes les options sont encore théoriquement possibles. En effet, à ce moment-ci, le Canada semble encore maître de sa destinée et en mesure d'accepter ou de refuser les changements proposés. Nous remarquons que le contexte actuel, c'est-à-dire celui où des personnes de différents milieux offrent leurs réflexions sur différentes propositions d'étapes éventuelles d'intégration, ressemble à celui qui prévalait immédiatement avant que le gouvernement fédéral du Canada n'accepte de participer à des discussions avec le gouvernement fédéral des États-Unis en vue d'organiser des négociations qui mèneraient à un accord global de libre-échange entre les deux pays. En ce sens, bien que les propositions de changements viennent actuellement de la société civile, et que les représentants de l'État se présentent comme les ardents défenseurs du *statu quo*, il nous apparaît important de ne pas négliger le rôle de l'État dans le processus d'intégration nord-américaine. Il faut se rappeler que les représentants de l'État canadien ont joué un rôle fondamental dans l'ensemble du processus qui a mené aux accords de libre-échange et que personne ne semble rejeter l'idée que son rôle sera tout aussi prédominant lorsque de nouvelles étapes d'intégration seront réalisées.

Par ailleurs, il nous apparaît important d'aller plus loin que les positions des représentants de l'État canadien et de la société civile canadienne au sujet de l'intégration économique. Ce type de politique publique possède une dimension internationale, ce qui implique qu'une considération importante doit être donnée au rôle d'un deuxième acteur étatique. Cette

dynamique restreint les possibilités pour les représentants de l'État d'élaborer des compromis avec les groupes de la société civile puisqu'ils doivent, d'abord et avant tout, respecter les ententes négociées sur le plan international. Les représentants de l'État ne bénéficient donc que d'une marge de manoeuvre très étroite, ce qui devrait rendre très apparents leurs efforts en vue d'amener la société civile à accepter le projet qu'ils privilégient. Voulant éviter une humiliation internationale, les représentants de l'État utiliseront leurs meilleures stratégies lors de leurs dialogues avec les groupes de la société civile en vue d'arriver à une victoire politique sur le projet proposé.

Cette dynamique internationale nous amène à souligner la précarité de la position du Canada comme pays voisin de la première puissance mondiale, les États-Unis d'Amérique. Des auteurs comme Marci Macdonald (1995) ont avancé que l'ALÉ était un projet pensé et soutenu par le gouvernement américain, laissant peu de place aux préoccupations canadiennes. Dans le cas de l'ALÉNA, Daudelin et Molot (2000:50) font remarquer que les États-Unis avaient commencé les pourparlers avec le Mexique sans même que le Canada n'en soit informé. Cherchant à préserver les acquis de l'ALÉ, le Canada n'aurait donc eu d'autre choix que de se joindre aux négociations en cours. Ces évaluations remettent en cause la souveraineté économique du Canada dans des projets de l'ampleur des accords de libre-échange. L'agenda serait donc fixé à Washington et les représentants de l'État canadien seraient contraints de faire accepter à leur population ce qui leur est dicté par le gouvernement des États-Unis. Nous croyons qu'il serait imprudent de rejeter cette proposition dans une envolée nationaliste et qu'elle mérite d'être considérée sous toutes ses implications. Le simple fait que la population canadienne soit d'environ 8.8 fois moins grande que celle des États-Unis et que le PIB du Canada soit d'environ 12.7 fois plus petit que celui de son voisin du Sud nous empêche d'écarter insolemment la proposition d'une subordination politique du Canada par rapport aux États-Unis.

Une analyse du comportement des représentants de l'État canadien doit donc être précédée d'un examen de la nature des relations entre le Canada et les États-Unis en matière de politique économique. Il ne fait pas de doute qu'à différentes occasions, sur des questions ponctuelles et sectorielles comme l'exportation du bois d'oeuvre ou la pêche du saumon du Pacifique, le Canada a réussi à faire respecter son agenda politique et économique. Toutefois, sur des questions qui touchent les grandes orientations de l'intégration nord-américaine, nous remettons en cause la souveraineté économique du Canada. Nous soutenons donc qu'au moment de faire accepter les accords de libre-échange, le travail des représentants de l'État canadien était de faire accepter à sa société civile ce qui avait été privilégié par le gouvernement américain. Dans l'éventualité où un tel scénario s'avérerait fondé, nous soulignons qu'aucune indication ne permet de croire que les choses se dérouleraient différemment au moment où le Canada serait confronté à la perspective d'une union monétaire nord-américaine. Nous suggérons qu'une analyse du comportement des représentants de l'État canadien pendant les discussions nationales sur le libre-échange permettra de répondre à certaines questions sur la souveraineté économique et politique du Canada, en plus d'offrir des prédictions sur les comportements qu'adopteront les représentants de l'État lors d'éventuelles négociations.

2. L'autonomie du Canada en matière d'intégration nord-américaine

Avant de discuter plus en détail des nouvelles propositions d'intégration, nous revenons brièvement sur les politiques publiques récentes en cette matière. Le premier résultat de l'ALÉ et de l'ALÉNA est d'avoir accentué l'intégration de l'économie canadienne au marché américain. La réduction dramatique des barrières commerciales entre le Canada et les États-Unis a provoqué deux grandes réactions dans la société civile canadienne. D'une part, certains groupes ont appuyé le gouvernement dans la définition d'un marché continental offrant un grand potentiel d'expansion pour les entreprises canadiennes. D'autre part, des groupes ont dit craindre une perte de souveraineté économique et politique pour le Canada, ainsi que la création d'un marché dominé par les grandes entreprises américaines. En préconisant un rôle central pour l'État dans la gestion des relations économiques du pays, une majorité des groupes opposés aux accords proposaient une diversification des liens commerciaux plutôt qu'une approche bilatérale.

Les mérites de ces deux approches ont été largement débattus durant les campagnes électorales fédérales de 1988 et de 1993. Lors de ces deux élections, le parti de gouvernement promettait de maintenir son programme économique centré sur l'ALÉ, puis sur l'ALÉNA. De son côté, le principal parti d'opposition promettait, dans un premier temps, de renoncer à l'ALÉ et, dans un deuxième temps, de renégocier l'ALÉNA. En ce sens, aux élections fédérales de 1988 et de 1993, autant les groupes opposés aux accords de libre-échange que ceux qui les appuyaient profitaient de la présence d'un parti politique, capable de former le gouvernement, prêt à représenter leur point de vue. Autrement dit, il semble que, peu importe leur position, les groupes de la société civile avaient des raisons de croire que les résultats électoraux pouvaient potentiellement influencer la préférence de l'État sur la question du libre-échange. Mais était-ce le cas ? Le système de représentation politique du Canada permet-il vraiment à la société civile de faire en sorte que sa préférence sur une politique publique soit au moins aussi importante que celle de l'État ? Et qu'en est-il lorsque cette politique implique un État étranger ? Ne serait-il pas plus juste de dire que le gouvernement canadien avait, dès le moment où il a signé une entente de libre-échange avec le gouvernement américain, pris pour acquis que sa préférence favorable à une plus grande intégration nord-américaine prévaudrait et que l'ALÉ entrerait en vigueur ? Et dans le cas de l'ALÉNA, est-il réaliste de penser que les pressions de la société civile, aussi importantes eurent-elles été, auraient pu contraindre le gouvernement canadien à se retirer des négociations et à laisser les États-Unis et le Mexique signer un accord bilatéral ?

Ces questions sur l'autonomie de l'État et sur l'influence de la société civile dans l'élaboration des politiques publiques mettent en doute l'influence de la société civile canadienne dans la décision de l'État d'aller de l'avant avec les accords de libre-échange. Toutefois, l'impossibilité pour la société civile de faire en sorte que sa préférence soit au moins aussi importante que celle de l'État ne serait pas expliqué par l'attitude autoritaire de ce dernier mais plutôt par la force politique largement inégale des deux États impliqués. Une telle dynamique nous incite à regarder de près les développements en matière d'intégration économique opérés par les États-Unis.

3. La nouvelle position du dollar américain dans les Amériques

La prédominance du dollar américain dans le marché économique des Amériques a pris de nouvelles proportions ces dernières années et sera probablement porteuse des changements structurels les plus importants. Selon des auteurs comme Grubel (1999), ce serait la création d'une monnaie unique en Europe (euro), en janvier 1999, qui aurait provoqué une réaction des Américains, en plus de susciter plusieurs débats sur la perspective d'une monnaie commune en Amérique du Nord. Des auteurs comme Beddoes (1999), Hausmann (1999) et Mistry (1999) ont d'ailleurs avancé qu'un monde où il n'y aurait qu'entre deux et cinq devises serait plus logique et plus stable. Dans un tel contexte, on présume que les pays des Amériques seraient amenés à créer une monnaie commune ou à adopter le dollar américain comme monnaie nationale.

Les États-Unis se sont montrés prêts à considérer de tels scénarios. Pour eux, une « dollarisation », c'est-à-dire l'adoption du dollar américain comme monnaie nationale, suit l'ordre normal des choses, en particulier pour les pays qui ont dû composer avec de grandes disparités au niveau de la stabilité économique. Le projet de loi *International Monetary Stability Act* a donc été présenté au Sénat des États-Unis le 8 novembre 1999, puis à la Chambre des représentants le 18 novembre 1999, et décrit les règles de base du processus de dollarisation proposé par les États-Unis.

D'après Schuler et Stein, le projet de loi cherche à répondre à deux principaux objectifs. « First, with more countries considering official dollarization it has become more important to let them know where the United States stands on the issue of sharing the profit from issuing the dollar. [...] Second, the Act will encourage countries to consider official dollarization during periods of relative stability rather than [...] during periods of economic crisis » (Schuler et Stein, 2000). Le projet de loi répond d'ailleurs déjà à une transformation au niveau du système monétaire de certains pays puisque la moitié de la monnaie actuellement en circulation au Pérou est en dollars américains et l'Équateur a adopté le dollar en février 2000. D'autres pays sont considérés comme étant « dollarisés » de façon non-officielle, selon une mesure des dépôts en monnaie étrangère parmi les fonds disponibles. Une liste de ces pays inclut l'Argentine, la Bolivie, le Costa Rica, le El Salvador, la Jamaïque, le Mexique, le Nicaragua et l'Uruguay (Baliño *et al.*, 1999:2-3).

Discutant des avantages de la dollarisation, le Sénateur américain Connie Mack a avancé que l'utilisation d'une monnaie commune lui apparaissait être la meilleure façon de faciliter les échanges et les investissements entre les nations. Il a d'ailleurs invité le Canada à considérer les avantages d'une union monétaire nord-américaine (*The National Post*, 17 novembre 1999:A8).

4. La place du Canada dans les Amériques et l'impérialisme économique des États-Unis

Il apparaît impossible pour le Canada d'ignorer les changements structurels en cours en Amérique latine. Le résultat net de ces transformations sera un dollar américain plus fort et plus prédominant que jamais, ce qui n'est pas de très bon augure pour le dollar canadien dont la valeur est déjà d'environ trente-cinq pour cent plus basse que le dollar américain et dans une pente descendante depuis la fin de 1991. (Selon certains courtiers, la valeur la plus basse atteinte par le dollar canadien à l'intérieur d'une journée de transaction est de 63.09 ¢ par rapport au dollar américain. Ce niveau a été atteint à l'automne de 1998.)

Par ailleurs, l'Amérique latine représente un marché plus important que jamais pour le Canada, autant sur le plan politique qu'économique. Le gouvernement Chrétien a orienté sa politique commerciale vers ces pays parce qu'en plus de développer de nouveaux marchés d'exportation pour les entreprises canadiennes (et de potentiellement réduire la dépendance économique du Canada au marché américain), ils permettaient de promouvoir une stratégie économique différente de celle préconisée par le gouvernement Mulroney. On serait donc passé d'une approche bilatérale à une stratégie multilatérale similaire à celle favorisée par Mitchell Sharp alors qu'il était secrétaire d'État au ministère des Affaires extérieures dans le gouvernement Trudeau (Sharp, 1972) et dont le symbole serait les missions économiques du gouvernement Chrétien (connues sous le nom d'Équipe Canada). Ces missions ont entraîné un intérêt sans précédent du secteur des affaires du pays pour ces marchés.

Au niveau politique, le gouvernement Chrétien a cherché à profiter de l'adhésion récente (1990) du Canada à l'Organisation des États américains (OÉA) pour raffermir les liens du pays avec l'Amérique latine. Il a été activement impliqué dans les discussions au sujet de la ZLÉA et a été l'hôte de l'Assemblée générale de l'OÉA (Windsor, 4-6 juin 2000) et du Sommet des Amériques (Québec, 20-22 avril 2001). De plus, le gouvernement Chrétien a signé des accords de libre-échange avec le Chili en 1997, avec le Costa Rica en 2001, ainsi qu'une entente de coopération au niveau des échanges et de l'investissement avec les pays de l'union douanière représentée par le Mercosur et incluant l'Argentine, le Brésil, le Paraguay et l'Uruguay. Cette entente a été signée en 1998.

Des efforts ont aussi été portés sur le marché asiatique mais la crise économique de 1997-1998 sur ce continent est un des principaux facteurs qui expliquent la dévaluation du dollar canadien à l'été 1998. (Le 27 août 1998, le dollar canadien a terminé la journée des transactions avec une valeur de 63.31 ¢ par rapport au dollar américain, le niveau le plus bas de son histoire à la fermeture. À ce moment, il en coûtait 157,65 $ canadiens pour acheter 100,00 $ américains.) Les difficultés des marchés asiatiques, en particulier celles du système bancaire japonais, ont amené les investisseurs à chercher à éviter cette volatilité et à se réfugier vers une monnaie forte, le dollar américain. Ces déplacements internationaux vers le dollar américain, jumelé à une chute de la demande des marchés d'Asie pour des produits canadiens de base comme le pétrole, le fer et les produits forestiers, ont rendu les entreprises canadiennes très vulnérables face aux investissements américains. Un total de 127 entreprises canadiennes ont été vendues à des intérêts américains durant les onze premiers mois de 1999, la somme de ces transactions étant estimée à environ 25 milliards de dollars. Ceci est une augmentation dramatique par rapport aux chiffres de 1998 alors que 121 entreprises canadiennes avaient été vendues à des intérêts américains, la valeur totale de ces transactions étant de 16 milliards de dollars (*Maclean's*, 20 décembre 1999:51). Cette tendance, qui semble vouloir se poursuivre, inquiète plusieurs économistes canadiens et est généralement à l'origine des pressions du milieu des affaires pour des changements structurels à la politique monétaire du pays.

À l'automne de 1998, voyant l'économie du pays encore affecté par la crise asiatique, le gouvernement Chrétien a choisi de tempérer ses efforts en vue de développer de nouveaux marchés d'exportations pour le Canada et s'est résigné à raffermir les liens du pays avec les

États-Unis. Ce changement d'attitude a d'abord été exprimé par le ministre du commerce international de l'époque, Sergio Marchi. En soulignant que les États-Unis représentaient une priorité pour son gouvernement, le ministre a opiné que le Canada devait développer ses liens commerciaux « with our best customer before jetting off to exotic lands » (*Financial Post*, 2 novembre 1998:C1). En fait, il est tout simplement impossible pour le gouvernement d'ignorer l'importance du marché américain pour l'économie canadienne. La relation commerciale canado-américaine en matière de biens et services représente des transactions annuelles de plus de 625 milliards de dollars, de loin la plus importante entre deux pays du monde. Les partisans de l'ALÉ soutiennent d'ailleurs que le dynamisme des échanges entre les deux pays s'explique en grande partie par les mesures implantées par le traité d'échange. Ils défendent cette position en rappelant qu'en 1988, la dernière année avant l'entrée en vigueur de l'ALÉ, le Canada a exporté des biens pour une valeur de 100 milliards de dollars vers les États-Unis, soit 23 pour cent de son PIB. Ils comparent ces chiffres avec ceux de 1999 et notent que la valeur des exportations canadiennes destinées au marché américain était à ce moment de 310 milliards de dollar, soit 43 pour cent du PIB.

Le côté sombre de tout ceci est que le Canada semble avoir perdu le contrôle de ses entreprises. Plus que jamais, le secteur des affaires canadien est perçu comme une filiale de celui des États-Unis, ce qui réduit la capacité d'investissements à l'étranger et risque d'avoir des effets négatifs à moyen terme sur les exportations. Plusieurs observateurs ont déjà commencé à douter de la capacité des entreprises canadiennes à tenir tête à leurs compétiteurs américains dans un environnement économique dominé par les règles de la mondialisation des marchés. Au coeur des demandes provenant des milieux économiques, politiques et universitaires canadiens à la faveur de changements structurels à la politique monétaire du pays se trouve un certain pessimisme par rapport à la capacité des entreprises canadiennes de rivaliser avec leurs compétiteurs américains dans les conditions imposées par un dollar canadien dont la valeur est d'entre trente-quatre et trente-sept pour cent inférieure au dollar américain. Pour plusieurs d'entre eux, seuls des changements structurels importants permettront de préserver la souveraineté économique du Canada.

En général, ces milieux suggèrent que le gouvernement fédéral dispose de deux moyens pour amener un meilleur équilibre entre les milieux d'affaires canadien et américain. Le premier de ces moyens est un rapprochement des taux d'impositions canadiens vers ceux américains, alors que le deuxième est un changement à la politique monétaire du pays. Sur les questions fiscales, Nadeau, Whewell et Williamson (2000:154-157) ont souligné que les impôts plus élevés au Canada faisaient en sorte qu'une partie de la main-d'oeuvre canadienne la plus hautement qualifiée quittait pour les États-Unis. De leur côté, Courchene et Harris (1999:6), ainsi que Fortin (1999), ont avancé que la faiblesse du dollar avait entraîné une baisse du niveau de vie moyen au Canada (mesurée par la croissance du PIB par habitant), au même moment où le niveau américain progressait. En ce sens, la faiblesse du dollar canadien et le retard des industries manufacturières au niveau de la productivité expliqueraient l'écart grandissant entre la performance économique canadienne et celle américaine (Schwanen, 2000:141-142). Les observateurs des milieux canadiens suggèrent que la solution se trouve dans une plus grande uniformité entre les politiques économiques du pays et celles américaines. Autrement dit, ils prescrivent une plus grande intégration nord-américaine. Il s'agit pour eux de la meilleure façon

dont dispose le Canada pour obtenir une monnaie plus stable, une augmentation du niveau de qualité de la vie de ses citoyens qui soit comparable à la progression américaine, une retention de sa main-d'oeuvre qualifiée et le maintien d'un certain contrôle des entreprises canadiennes par des intérêts nationaux.

5. Les positions dans les milieux politiques canadien et mexicain

La deuxième série de propositions porte sur des changements structurels à la politique monétaire du pays. Certains ont suggéré d'abandonner la politique de taux de change flottant pratiquée par le Canada depuis 1971 et d'utiliser un taux de change fixe. Toutefois, l'idée qui a soulevé le plus de passions est probablement celle proposant de créer une monnaie commune nord-américaine (MCNA). La revue *Maclean's* montre, dans son sondage annuel de 1999, que les Canadiens semblent plutôt ouverts à l'idée d'une union monétaire. En effet, 44 pour cent des répondants ont dit croire que le Canada en sortirait gagnant s'il avait une monnaie commune avec les États-Unis (*Maclean's*, 20 décembre 1999:42).

Dans les milieux politiques fédéraux, on s'est d'abord montré ouvert à un examen des possibilités qui s'offrent pour le Canada. Le 15 mars 1999, le chef du Bloc québécois, Gilles Duceppe, a proposé à la Chambre des communes une motion qui visait à créer un comité parlementaire chargé d'étudier la possibilité d'une union monétaire nord-américaine. Lors du débat sur la proposition, le député de la circonscription fédérale de Charlesbourg (Québec), Richard Marceau (Bloc québécois), a argumenté que l'indépendance monétaire du Canada était un mythe et qu'il fallait trouver des façons de réduire les obstacles au commerce international, en particulier avec les États-Unis. Le comité n'a toutefois pas été créé, la proposition ayant été battue par un vote de 175 à 67 (*Débats des communes*, 15 mars 1999:12836-12896).

Le 25 mars 1999, le comité sénatorial sur les activités bancaires, les échanges et le commerce, présidé par le Sénateur Michael Kirby, a invité cinq économistes à discuter de la perspective d'une MCNA (Carr *et al.*, 1999:5-13). Cette rencontre a marqué le début d'une série de publications provenant des institutions indépendantes de recherche sur les politiques publiques. C'est ainsi que la *C.D. Howe Institute*, la *Fraser Institute* et la revue *Policy Options* ont consacré au moins un numéro spécial aux débats sur l'idée d'une union monétaire.

Au niveau politique, la question des relations canado-américaines et la possibilité d'une MCNA auraient, semble-t-il, été discutées lors de la rencontre spéciale du cabinet fédéral les 30 et 31 juillet 1999 (*Toronto Star*, 30 juin 1999:A6). À la suite de cette rencontre, le Premier ministre Jean Chrétien et le ministre des Finances Paul Martin ont réitéré leur opposition à une union monétaire en soulignant que la taille des économies du Canada et des États-Unis est beaucoup trop inégale pour que le Canada cède sa souveraineté en matière de politique monétaire à la Réserve fédérale américaine. Soulignant que la relation internationale entre le Canada et les États-Unis est bonne et paisible, le Premier ministre Chrétien a laissé entendre que l'intégration se poursuivrait mais que son gouvernement n'enclencherait pas de discussions sur des étapes majeures comme une union douanière ou une union monétaire. Il a réitéré cette position au mois d'août 2000, lors de la visite à Ottawa du Président du Mexique, Vicente Fox. « We have the United States, which is enormous, and two countries that are much smaller on either side. [I

don't think] we can apply European rules [and have a monetary union] » (*The Globe and Mail*, 23 août 2000:A1).

Au sujet de Vicente Fox, il est important de noter que, depuis son élection au mois de juillet 2000, il s'est fait un des plus ardents promoteurs d'une plus grande intégration nord-américaine. Il a dit souhaiter la création, d'ici cinq ou dix ans, d'une banque centrale nord-américaine, d'une monnaie commune, d'un Parlement commun et de règles permettant la libre circulation des personnes en Amérique du Nord (*La Presse*, 30 juin 2000:B7). Cette dernière position se rapproche de celle adoptée par l'ancien Premier ministre Brian Mulroney, un des principaux instigateurs de l'ALÉ. Dans une entrevue accordée au réseau de télévision CBC au mois de septembre 2000, Mulroney a dit souhaiter l'implantation d'un marché commun en Amérique du Nord. « I would certainly support getting rid of all this stuff at the borders, which inhibit progress and inhibit the free movement of goods, services and people. [...] I mean, that does not diminish one's sovereignty. That's a measure of efficiency, in terms of developing our common prosperity and our common democratic institutions » (*The Globe and Mail*, 6 septembre 2000:A1).

Parmi les autres acteurs politiques impliqués dans les débats, mentionnons qu'au Québec, l'ancien Premier ministre Jacques Parizeau (*Le Soleil*, 30 janvier 2000:A1) ne s'est pas fait prier pour appuyer vigoureusement l'idée d'une MCNA. Cette position est partagée par l'actuel Premier ministre Bernard Landry. Parmi les premiers à avoir appuyé l'ALÉ au milieu des années 1980, Landry soutient maintenant qu'une MCNA est la suite logique aux accords de libre-échange et qu'un dollar faible est un frein à l'investissement et à la productivité (*La Presse*, 19 avril 2000:B3). Si l'on se fie à la position favorable à une union monétaire du président de la Société générale de financement du Québec, Claude Blanchet (*The Globe and Mail*, 22 avril 2000:B1), il est possible de croire qu'une MCNA recueillerait des appuis considérables dans le milieu des affaires québécois.

6. Les stratégies macropolitiques des États-Unis

Malgré toutes ces discussions au Canada et au Mexique sur l'idée de créer des institutions nord-américaines supranationales, il n'en demeure pas moins que l'acteur dominant dans le processus est les États-Unis. À ce moment-ci, il n'y a pas de grandes indications selon lesquelles le Congrès américain aurait une volonté de céder une partie de sa souveraineté à de telles institutions. Mais alors pourquoi les États-Unis auraient-ils signé l'ALÉ et ensuite l'ALÉNA pour finalement refuser une intégration plus poussée avec le Canada, par une union douanière ou une union monétaire ? Une réponse à cette question est relativement complexe, d'une part, parce que la motivation américaine diffère entre le premier accord et le second et, d'autre part, parce que la logique qui a conduit à un appui du Congrès américain à l'ALÉ ne se transpose pas aux étapes ultérieures d'intégration. D'abord, il faut bien comprendre que l'ALÉ est une entente bilatérale entre le Canada et les États-Unis, ce qui est différent de l'ALÉNA. Ensuite, il faut savoir que l'objectif du premier accord était essentiellement de nature économique alors que celui du second était principalement politique.

Un accord de libre-échange avec le Canada a suscité un intérêt chez les Américains au début des années 1980, lorsque des accords sectoriels ont été vus comme une façon de parer aux difficultés économiques auxquelles les États-Unis faisaient face. « It was the [1981-1982] recession that marked the onset of the problem identification stage for the United States [...] The decline in trade that accompanied the recession made trade policy a preoccupation for the Reagan administration. [Moreover,] the accompanying American disenchantment with multilateralism also led to greater interest in bilateral trade agreements » (Tomlin, 1989:264). Le libre-échange avec le Canada a donc été présenté aux États-Unis comme une politique publique faisant partie du programme économique du gouvernement Reagan.

Cette problématique est différente de celle de l'ALÉNA alors que les Américains voyaient un accord de libre-échange avec le Mexique comme un instrument permettant d'assurer la poursuite des réformes de libre marché du Président Salinas et ainsi de réduire le nombre de travailleurs Mexicains cherchant à immigrer illégalement aux États-Unis. Les réformes mexicaines opéraient un rapprochement des conditions de travail avec celle en vigueur aux États-Unis. De plus, l'intégration du Mexique dans un accord de libre-échange à un moment où ce pays procédait à des changements positifs importants dans l'instauration d'un régime politique démocratique (également à l'image du modèle américain) avait pour but d'envoyer un message à l'ensemble des pays de l'Amérique latine. En présentant le Mexique comme un exemple à suivre, les Américains espéraient pouvoir amener une plus grande stabilité politique et économique dans cette partie de l'hémisphère et éventuellement profiter davantage de ces marchés d'échanges. À ce sujet, le secrétaire au trésor des États-Unis, Lawrence Summers a déclaré que « to the extent that dollarization helped to consolidate or expand our large role in Latin American markets, it might help to ensure that we continued [*sic*] to benefit disproportionately from their future growth » (Summers, 1999).

Les États-Unis ont donc suivi une logique économique dans le cas de l'ALÉ et une logique politique lorsqu'est venu le temps de négocier l'ALÉNA. Il est possible de présenter ces deux approches d'une façon plus théorique. Après avoir défini l'intégration économique comme « a state of affairs or a process involving the combination of separate economies into larger economic regions » (Robson, 1980:1), Peter Robson précise qu'il existe deux formes d'intégration. Une intégration négative consiste à éliminer les obstacles et les restrictions sur les échanges de biens et de services. Il s'agit d'un processus de libéralisation des marchés. Par ailleurs, une intégration positive modifie les instruments et les institutions existantes. Les nouveaux paramètres fixés visent à assurer une meilleure performance des marchés dans l'union par l'utilisation de politiques semblables ou harmonisées.

Les définitions de Robson nous permettent de comprendre la différence fondamentale entre l'ALÉ et les nouveaux projets d'intégration proposés dans les milieux canadiens depuis l'été 1998. Le libre-échange avec le Canada était une forme d'intégration négative qui visait à éliminer les barrières tarifaires et les restrictions sur les investissements entre les deux pays, sur une période de dix ans. Pour sa part, une union monétaire, quelqu'en soit la forme, exigera l'établissement d'institutions communes. Il s'agira alors d'une forme d'intégration positive. Ayant déjà adopté une approche d'intégration positive avec le Mexique, on comprend alors mieux pourquoi les États-Unis ont cherché à pousser cette intégration par une dollarisation avec

les pays d'Amérique latine. Les Américains semblent avoir un intérêt à pousser une intégration positive avec des pays qui leur apparaissent instables sur les plans politique et économique, mais est-il raisonnable d'étirer cette logique jusqu'au cas canadien ? Autrement dit, si les Américains voient la dollarisation comme une façon d'absorber les graves crises financières qui ont sévi sur l'Amérique latine durant les dernières années, existe-t-il des raisons pour inclure le Canada dans ce type d'intégration positive ?

Certains observateurs canadiens semblent répondre que le Canada ne doit pas attendre que les États-Unis aient complété leur plan d'action en Amérique latine avant d'agir. Ils soulignent que les règles de la dollarisation ne sont pas élaborées en fonction du Canada mais plutôt pour des pays comme l'Argentine et l'Équateur qui ont de la difficulté à rembourser leurs dettes extérieures. Ainsi, le Canada risque d'être complètement mis à l'écart et de se retrouver isolé dans un hémisphère « dollarisé ». Il sera alors très difficile pour les représentants de l'État canadien de s'immiscer dans le processus et d'influencer les décisions prises. Selon Thomas Courchene, « it would be most unfortunate if, when Canadians finally realize that they really want a common currency of the North American Monetary Union type, we cannot get it because the dollarization process that we were watching has taken over the Americas, and the common currency option is no longer open » (Carr *et al.*, 1999:8). Cet économiste insiste donc sur l'importance d'étudier dès maintenant l'idée d'une MCNA.

La position américaine sera aussi influencée par la performance des autres monnaies importantes sur les marchés. Depuis la fin de la Seconde Guerre mondiale, le dollar américain a joué un rôle déterminant dans les finances internationales. Il a été utilisé comme standard pour des transactions officielles et privées, en plus d'être la principale monnaie utilisée dans les statistiques du Fonds monétaire interational, de la Banque mondiale, de plusieurs agences de l'Organisation des Nations Unies et de l'Organisation mondiale du commerce. La marque de prestige associée au dollar à travers le monde est une grande source de fierté pour les Américains et ils déploieront sans doute beaucoup d'efforts pour maintenir cette position. Par surcroît, la position du dollar comme monnaie de réserve internationale apporte des avantages considérables à l'économie américaine, les coûts d'impression des notes bancaires étant beaucoup moins élevés que la valeur de la monnaie elle-même (Vernengo, 2000).

Voilà pourquoi l'arrivée de l'euro touche la quiétude américaine. Déjà, la zone européenne couverte par les onze pays ayant adhéré à l'euro présente une population plus importante que celle des États-Unis. Selon les données de 1996, la « zone euro » présente une population totale de 290 millions d'habitants par rapport à 265 millions d'habitants pour les États-Unis (Grubel, 1999:23). À cela, il faut ajouter la Grèce qui s'est jointe au groupe en janvier 2001 (ce pays compte un peu plus de 10 millions d'habitants). De plus, des référendums sur une adhésion à l'euro sont prévus au Royaume-Uni et en Suède, probablement en 2002 ou en 2003, alors que la Pologne et la République Tchèque devraient adopter l'euro en 2005. Ces ajouts à l'union monétaire européenne risquent d'amener un PIB européen plus important que celui américain et défier la prééminence du dollar américain.

7. Les propositions du milieu économique

Dans les débats récents sur l'idée d'une MCNA, des économistes comme Pierre Fortin (2000) ont dit souhaiter que le Canada abandonne sa politique monétaire du taux de change flottant (en vigueur depuis le milieu des années '70) à la faveur d'un taux de change fixe, basé sur le dollar américain. Selon eux, il s'agirait pour le Canada d'une façon de régler les problèmes d'instabilité du dollar tout en préservant sa monnaie nationale. (Pour une argumentation à la faveur du *statu quo* au sujet du taux de change flottant, voir Crow, 1999; Laidler, 1999; Murray, 1999; Thiessen, 1999; McCallum, 2000; McCallum 2000a.)

On identifie généralement deux scénarios possibles pour une fixation du taux de change. Dans un premier temps, la fixation molle ramènerait le Canada aux temps des dispositions de l'Accord de Bretton Woods (1945-1973) alors qu'il avait un taux de change fixe mais ajustable. Comme l'explique Fortin, « sous un tel régime, la Banque du Canada s'engagerait moralement, dans le cours normal des choses, à gérer nos taux d'intérêt afin de contenir le taux de change à l'intérieur d'une bande étroite de fluctuations. Mais elle se réserverait le droit de réévaluer ou de dévaluer le dollar canadien par pure décision administrative dans une situation où apparaîtrait un 'déséquilibre fondamental' » (Fortin, 2000).

La seconde option est celle d'une fixation dure, mieux connue sous l'expression d'un conseil monétaire ou d'une « *currency board* ». Dans ce cas, une institution supranationale gère le régime monétaire et agit comme prêteur de dernier ressort auprès des institutions financières des pays membres. Sous ce régime, le taux de change est fixé par voie législative et ne peut pas être ajusté.

Courchene et Harris (1999), ainsi que Grubel (1999), argumentent que ce type de changements à la politique du taux de change ne serait que transitoire et qu'il serait préférable de considérer dès maintenant le scénario qui deviendra inévitable, soit une pleine union monétaire. À ce niveau, deux nouvelles options s'offrent au Canada. La première serait un remplacement pur et simple du dollar canadien par le dollar américain comme monnaie ayant cours légal au Canada. Parmi les partisans de cette option, nous retrouvons Carr (1999), Wolf (1999) et Landry (2000). Les principaux détracteurs sont Sachs et Larrain (1999), ainsi que McCallum (2000). Pour ce qui est de la deuxième possibilité, le Canada et les États-Unis (ainsi que d'autres pays comme, par exemple, le Mexique) pourraient établir une union monétaire formelle où chacune des monnaies nationales serait remplacée par une nouvelle monnaie commune et unique. Cette option est favorisée par Courchene et Harris (1999), Grubel (1999), Marceau (1999) et Fortin (2000).

8. Un agenda de recherche sur les politiques publiques et l'intégration économique

Toutes ces discussions autour d'une plus grande intégration du Canada au marché américain invitent à croire qu'il est probable que de nouvelles étapes structurelles soient réalisées dans les prochaines années. Au niveau du positionnement des acteurs, nous croyons qu'il faille porter une attention toute particulière aux deux catégories d'acteurs qui se montrent les plus

enthousiastes à l'idée d'une MCNA, c'est-à-dire les économistes et les souverainistes du Québec. Nous notons que c'est cette même alliance qui a fait campagne en faveur de l'ALÉ à l'élection fédérale de 1988 et qui a permis au Parti progressiste-conservateur d'obtenir le mandat de ratifier l'entente de libre-échange.

Au niveau des perspectives de recherche amenées par l'idée d'une MCNA, nous signalons qu'au-delà du projet politique, tout un agenda de recherche au niveau de l'élaboration des politiques publiques mérite d'être considéré. En particulier, nous croyons que le rôle et la force de l'État canadien, ainsi que les questions parallèles sur son autonomie, doivent être révisés en tenant compte du contexte de la mondialisation et de la nouvelle dynamique continentale en Amérique du Nord. De plus, les nouvelles stratégies utilisées par les groupes de la société civile, en particulier au niveau de la mondialisation des réseaux des mouvements sociaux et de l'utilisation de nouveaux instruments comme Internet, changent de façon dramatique le processus traditionnel d'élaboration des politiques publiques. Les implications de cette redéfinition des mouvements sociaux sur l'autonomie de l'État nous semblent encore trop peu explorées. À ce sujet, Grace Skogstad souligne que « the political dimension of globalization and its implications for domestic policy making are still little understood. This development arguably poses the greatest challenge to traditional models of public policy, undermining assumptions about the priority of the domestic arenaCdomestic problems, domestic political constituencies and authoritative domestic decision makers » (Skogstad, 2000:827).

Ainsi, il semble important de revoir la dynamique des négociations internationales entre deux acteurs étatiques de taille inégale et leur façon de composer avec des mouvements sociaux devenus internationaux. Un tel examen contribuerait à une meilleure compréhension de la structure institutionnelle de l'État canadien et des stratégies émanant du gouvernement fédéral dans la négociation d'ententes semblables à l'ALÉ et l'ALÉNA. Ce type d'analyse ajouterait aussi à l'état des connaissances sur des thèmes comme la division du pouvoir entre les élites politiques et la société civile, ainsi que sur l'aptitude des partis politiques à jouer leur rôle d'intermédiaire entre les citoyens et l'État.

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Canada's Unwarranted Reluctance: Facts and Myths About National Missile Defence

by

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Introduction

This paper evaluates the competing arguments and perspectives that have emerged in anticipation of the deployment of an American ballistic missile defence (BMD). The strategic implications of deploying even a modest system of national missile defence (NMD) are international in scope and have stimulated significant debate. Efforts to incorporate strategic defence into American force structures failed during the Cold War. During the late 1960's, the first comprehensive debate regarding the feasibility of deploying BMD resulted in the cancellation of the Sentinel program. President Reagan met similar resistance during the 1980's, culminating in the rejection of the Strategic Defense Initiative. Many of the arguments used to condemn the Cold War BMD initiatives are echoed in today's NMD debate. Critics of NMD have expressed concerns regarding the technological feasibility of conducting exo-atmospheric interception, just as opponents of Sentinel and SDI had done during the Cold War. Equally reminiscent of the Cold War BMD debates, opponents of NMD have insisted that the limited security benefits, that might be afforded by strategic defence, would be overshadowed by the decisions made by leaders in Russia and China to increase the size and strength of their respective nuclear deterrents. Nevertheless, the current Bush administration has indicated its intentions to transform American nuclear and strategic policy. Secretary of Defense Donald Rumsfeld has reaffirmed the role to be played by BMD in, "refashioning deterrence and defence capabilities."[1] In this paper I will evaluate the rationales and strategic visions that have led the current administration to support the deployment of BMD in the post- Cold War world.

The Case Against Ballistic Missile Defence

Opponents of ballistic missile defence writ large represent a distinguished and vocal camp, competing for influence in the American BMD debate. In this section, I will highlight the diverse issues raised in opposition to the deployment of strategic defence. Renowned physicists, Theodore Postol and Richard Garwin have vociferously challenged the technological shortcomings of any system of missile defence that relies on mid- course interception. Other analysts, such as John Steinbruner and Stephen Van Evera have cautioned against the deployment of BMD, citing the complications and dangers associated with undermining the Cold War strategic policies of assured vulnerability and mutually assured destruction (MAD). The British American Security Information Council (BASIC), and other organizations concerned with arms control issues, have argued that the deployment of BMD will serve as a catalyst for an arms race reminiscent of the Cold War era. The decidedly negative evaluation of BMD, espoused by these writers and analysts has not emerged merely as a result of the current BMD debate. Indeed, the origins of many of the arguments and criticisms commonly cited today date far back in the Cold War to the first and second ABM debates.

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[1]Steven Lee Myers, "Bush Candidate for Defense Job Sees Overhaul", *The New York Times*, January 12, 2001.

Contemporary critics of BMD continue to question the technological feasibility of mid- course interception. Theodore Postol[2], of the Massachusetts Institute of Technology, has condemned NMD deployment efforts, insisting that the ability to accurately and reliably identify or "see" an incoming re- entry vehicle remains considerably beyond the scientific reach of today's engineers. Mid- course interception relies on the kill vehicle's sensory capabilities that identify irregular patterns of light and heat that occur when a target changes orientation. Postol concludes that, "The absolute magnitude of infrared signals from objects will depend on their temperature, surface coatings, geometry and size."[3] Thus, he argues, a variety of easily developed countermeasures will provide a determined adversary with the technology required to outsmart the information processing capabilities of NMD's kill vehicles.

Daniel Goure, deputy director of the international security program at the Center for Strategic and International Studies, remains supportive of BMD but has also voiced concerns regarding the sensory capabilities of the envisioned mid- course kill vehicle. Goure argues that further development of NMD is warranted but suggests that future flight tests be conducted without the program's "legacy of over optimism" regarding the likely success rate of mid- course interception.[4]

Richard Garwin has also challenged the technological shortcomings of defensive systems that attempt to engage missiles during their mid- course stage.[5] Garwin has vigorously advocated the role of boost- phase intercept (BPI) in addressing the threat posed by ballistic missiles. Garwin has emphasized the benefits of engaging and destroying missiles before they are in a position to release their payloads. Conceivably, a missile could carry a number of chemical or biological bomblets that can weigh as little as one kilogram. A limited system of NMD, designed to intercept a few ten's of incoming re-entry vehicles, could become overwhelmed or saturated by an adversary capable of launching bomblets, countermeasures, or decoys. BPI systems of missile defence would not have to contend with any such countermeasures as the offensive missiles would be detected and destroyed before any such devices have separated from the rocket's booster.[6]

John Steinbruner has opposed the deployment of BMD because of the risks inherent in challenging the Cold War strategic doctrine of assured destruction. Steinbruner has argued that the deployment of even a limited NMD would inevitably provoke a negative response from

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[2]Theodore Postol is considered by many to be one of the most knowledgeable ballistic missile experts in the US and much groundbreaking analysis has been attributed to his name.
[3]Paul Mann, "Tide Surges Against Clinton's NMD Plan", *Aviation Week & Space Technology* (June 26, 2000), 32.
[4]Mann, 32.
[5]Richard Garwin is Senior Fellow for Science and Technology at the Council on Foreign Relations, New York. Garwin's work with the US government has ranged over anti- submarine warfare, computer and sensor systems, satellite technology and nuclear weapons. His research has been pivotal in derailing ABM technology during the late 1960's and mid- 1980's and is archived at the Federation of American Scientists website: www.fas.org/rlg/20.htm
[6]Richard Garwin, "Boost-Phase Intercept: Not If, But When", *Inside Missile Defense* (July 12, 2000), 1 of 4.

authorities in China and Russia. The Chinese maintain only a modest number of ICBM's capable of reaching the continental United States. Adhering to the Cold War policies of assured vulnerability allows Beijing to maintain a survivable second- strike force that is modest in size, yet capable of effectively dissuading attack by guaranteeing unacceptable damage in the form of a retaliatory strike. This policy of minimum deterrence would be severely undermined by the deployment of the 200- 250 ground- based interceptors envisioned under NMD.

Steinbruner insists that the deployment of NMD will force Beijing to strengthen its weakened deterrent force by deploying ICBM's armed with MIRVs.[7] Such a response would provide China with the ability to saturate NMD's limited shield, thus restoring the credibility of Beijing's deterrent force.[8] Russia's strategic missile force, by comparison, is much larger and can easily saturate and overwhelm NMD's defensive shield. Nevertheless, Stenibruner argues, NMD's limited capabilities will likely be interpreted by authorities in Moscow as the foundation or ground work for a much more ambitious defensive weapons system that more accurately resembles an effective first- strike capability.[9] Concerns regarding the emergence of an effective defensive shield will prompt Russian security planners to discourage any further reductions to Moscow's nuclear stockpile. Russian leaders might also decide to abandon Moscow's START II obligations that call for the dismantling of its MIRVed ICBMs.

Nobel Prize winner John Polanyi has also warned that NMD's thin layer of missile defence is merely a facade for the eventual deployment of a much more robust, thick layer of defence. As far as Polanyi is concerned, the addition of space- based weapons is to be anticipated if the US goes ahead with NMD as, "...once the door is open to a minimal anti- ballistic missile, it will also be open to a less than minimal one."[10]

Stephen Van Evera, a noted American analyst of international security issues, has expressed similar concerns regarding the destabilizing consequences that might flow from future NMD deployment. Van Evera suggests that the unfathomably destructive capability of nuclear weapons made conquest impossible during the Cold War. The commonly understood effects of nuclear explosions have reduced the likelihood of war by eliminating feelings of false optimism, by reducing the incentives to strike first, and by closing off potential windows of opportunity perceived by would be aggressors as other states decline.[11]

American advances in strategic defensive capability are unfolding at a time when Russian strategic forces are being retired due to neglect and under- funding. Nearly two thirds of Russia's

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[7]MIRVs provide an ability to broaden one's striking power by equipping a single rocket booster with a "bus" containing multiple re-entry vehicles. The re- entry vehicles can separate from their "bus" at various times during the course of a trajectory, thereby creating multiple, independent-targeting options.

[8]John Steinbruner, Statement to Standing Committee on National Defence and Veterans Affairs (February 29, 2000). Parliament of Canada website: www.parl.gc.ca/InfoComDoc/36/2/NDVA/Meetings/Evidence/ndvaev19

[9]Ibid.

[10]John Polanyi, "End the Nuclear Dance", *The Globe and Mail*, December 18, 2000.

[11]Stephen Van Evera, The Causes of War. (Ithica; Cornell University Press, 1999) 244.

fleet of ballistic missile submarines has been withdrawn from service. Press reports have suggested that Russia maintains only one submarine on patrol in the Atlantic with another in the Pacific. From May- July 1998, Russia was reported to have no submarines on patrol as a result of safety concerns.[12]

Russia has experienced similar difficulties while trying to maintain its fleet of Bear and Blackjack bombers. A study published in the November 20, 2000 edition of *Aviation Week & Space Technology* indicates the level of readiness for Russian strategic bombers to be approximately 83%. The same report, however, highlights the lack of modern aircraft in the bomber fleet. Fewer than 1% of all combat aircraft in Russian command are five years old or less.[13] With two of three integral elements of Russia's nuclear triad under disrepair, Moscow is left to rely on its ICBM's as the primary guarantor of its nuclear deterrent.

As a result of Russia's disproportionate reliance on the ICBM arm of its triad, a modest BMD deployment, with a potential for enlargement and expansion, is of grave concern to Russian planners. If the US were to walk away from the ABM Treaty in pursuit of a defensive shield without Russian consent, Moscow might conceivably attempt to increase the size of its deployed strategic forces. It has also been suggested that BMD deployment might encourage Russian decision- makers to maintain their missile forces at high levels of alert. Hair- trigger alert would be seen as a prerequisite for balancing against the chances of an American first strike attempt. Bruce Blair, senior fellow at the Brookings Institute, has been informed of the existence of an entirely automated, launch- on- warning system that would remove any opportunity for human intervention should an American first- strike attempt be detected. The *Dead Hand* launch system attempts to diminish the attractiveness of considering a first- strike against Russian targets by guaranteeing the early and unfettered launch of Moscow's retaliatory force even if Moscow's leadership is destroyed in a decapitation attack.[14]

According to missile defence critics, Chinese authorities are likely to be even more inclined to react with great alarm as a result of BMD deployment. Dingli Shen suggests that Beijing views the United States as a significant force is East Asia and perhaps the sole obstacle preventing "reunification" on Chinese terms.[15] Both Washington and Taipei have exchanged ideas on the concept of developing a land- based theatre missile defence. US Secretary of State Colin Powell has reaffirmed Washington's commitment to assist Taiwan in acquiring adequate defences so, "they are in a position to defend themselves against any threats that might come their way."[16]

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[12]NRDC Nuclear Notebook, "Russian Nuclear Forces, 2000", *The Bulletin of the Atomic Scientists* vol.56.no.4 (July/ August 2000),72.
[13]Alexey Komarov, "Russia To Undertake Deep Force Cuts", *Aviation Week & Space Technology* (November 20, 2000), 31.
[14]Bruce Blair, "Loose Cannon", *National Interest* Issue 52 (Summer 1998), 87.
[15]Dingli Shen, "What missile defense says to China", *The Bulletin of the Atomic Scientists* vol.56, no.4 (July/ August 2000), 20.
[16]Information taken from the Federation of American Scientists website on February 15, 2001. www.fas.org/news/taiwan/2001

Rumours of a foreign wire service confirming an impending sale of AEGIS cruisers from the United States, presumably equipped with TMD capabilities, were denied by the Ministry of National Defence in Taipei. Nevertheless, a *Washington Times* report claims that Beijing's massing of short- range missiles along the Taiwan Straits has Taipei concerned. The number of missiles targeting Taiwan has increased from 50 in 1998 to the current levels of approximately 200- 300.[17] Efforts to export TMD technology to Taiwan may disturb China but these deployments might be easily saturated by a concerted deployment of additional Chinese offensive missile forces. Provided Beijing remains convinced that NMD is, in fact, designed to neuter the Chinese nuclear deterrent, China will likely feel compelled to pursue a more ambitious arms program that emphasizes an offensive missile and warhead build up and a heightened state of readiness. Such developments, critics of BMD argue, far outweighs any possible benefits of an unproven, defensive shield.

Arms control enthusiasts have enjoyed the support of many organizations and agencies in condemning the destabilizing effects of strategic defence. The British American Security Information Council has published many articles that testify to the likely unravelling of arms control initiatives that will unfold as a result of NMD deployment.[18] Theresa Hitchens, for example, has argued that NMD will encourage smaller nuclear powers, such as China, India and Pakistan to question the viability of their respective deterrents. Such doubt will not only encourage the deployment of additional missiles and penetration aides capable of saturating a limited shield but will also stimulate the development of asymmetrical threats capable of targeting vulnerable American space- based assets that are critical to the effective functioning of defensive systems.[19]

The 1998 Rumsfeld Commission, a bi- partisan committee of congressmen who were sceptical of earlier assessments made in the 1995 National Intelligence Estimate, concluded that the threat posed by long- range ballistic missiles was more immediate than previously believed. More specifically, the commission claimed that North Korea, Iran or Iraq would be capable of striking the United States with long range missiles within five to ten years of deciding to acquire the relevant weapons systems. Competing interpretations of Rumsfeld's conclusions abound. Richard Garwin, himself a member of the commission in 1998, insists that NMD advocates are intentionally downplaying the complete findings of the commission. What NMD advocates fail to highlight, Garwin argues, is the commission's conclusion that the threat posed by cruise missiles or short- range missiles (launched from sea- based platforms in proximity to the US coastline) will likely pose a more immediate threat to US security than ICBMs.[20] Still, other

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[17]Ibid.

[18]BASIC is an independent research organization that analyzes government policy and promotes disarmament and the encouragement of open debate on issues pertaining to nuclear strategy.

[19]Theresa Hitchens, "The US Nuclear Debate: Issues of Concern", BASIC Publications; BASIC Paper Number 35 (February 2001). Extracted from website March 2001: www.basicint.org

[20]Lisbeth Gronlund & David Wright, "What they didn't do", *The Bulletin of the Atomic Scientists* vol.54, no.6 (November/ December 1998), 1of 9.

critics of BMD are even less convinced of the existence of a ballistic missile threat. In, "And it still won't work", Jack Mendelsohn denies that missiles capable of reaching the United States will proliferate significantly in the near future. Mendelsohn has argued that the costs of BMD deployment are simply unjustified given the fact that, "There is no rogue- state long- range missile threat at present and-- the recent Rumsfeld report notwithstanding-- it is unlikely that one will emerge in the next decade."[21]

The Case for NMD

The threat scenarios envisioned by BMD architects flow from two possible sources: the threat posed by a determined aggressor armed with weapons of mass destruction (WMD) and, secondly, the threat posed by the accidental or unauthorized use of WMD. Long- range ballistic missiles pose an extreme threat to international stability, particularly when they are armed with nuclear payloads. Ballistic missiles are symbols of power and prestige. They are also extremely provocative as they threaten to enlarge the area of conflict from the battlefield to unprotected cities. For a number of reasons, to be elaborated on later, states are continuing to sell or acquire ballistic missile technologies and components.

A number of examples of recent acts of proliferation serve to highlight the continued intensity of the threat posed by ballistic missiles. London's *Daily Telegraph* reported on September 24, 2000 that Libya had received the first order of 50 No Dong, medium range missiles, along with seven launchers, from North Korea. As part of this package, North Korean technicians are to be assigned to Libyan missile fields to establish effective storage and maintenance programs.[22] With a range of approximately 800 miles, the No Dong missiles will provide Libya with the ability to strike targets in Israel and Southern Europe. Libya had expressed its perceived utility of ballistic missiles long before this recent SCUD acquisition. In 1990, Libyan leader Moammar Qadhafi asserted:

> If they know that you have a deterrent force capable of hitting the United States, they would not be able to hit you. If we had possessed a deterrent--- missiles that could reach New York-- we could have hit it at the same moment. (reference to 1986 US air strike on Tripoli). Consequently, we should build this force so that they and others will no longer think about an attack.[23]

On September 21, 2000, Iran tested the latest, most capable version of the Shahab missile. The Shahab 3D has a range of approximately 800 miles and it has been rumoured that the missile

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[21]Jack Mandelsohn, "And it still won't work", *The Bulletin of the Atomic Scientists* vol.55, no.4 (July/ August 1999), 3of 6.

[22]Jack Spencer and Michael Scardaville, "Proliferation Continues After President's Decision to Delay Missile Defense", *The Heritage Foundation*, Executive memorandum number 699 (October 12, 2000). Extracted from website on January 2001: www.heritage.org/library/execmemo

[23]Keith Payne, "Missile Proliferation: Threat and US Response", *Comparative Strategy* vol. 16 issue 2 (April- June 1997), 134.

operates using solid fuel. This would indicate that Iran has reached a higher level of sophistication in its missile capabilities. The Shahab missile is based on the North Korean No Dong and has been developed with Russian assistance. In a 1999 report published by Bob Walpole and the US National Intelligence Council, it is argued that Iran, with continued assistance from either North Korea or Russia, will be able to test an ICBM capable of carrying significant payloads to the continental United States by 2010.[24] Beyond Iran's efforts to acquire its own ballistic missile force, Tehran has also assisted other countries in securing missile technologies and components. In a study conducted for the US Senate Committee on Governmental Affairs, it was revealed through unclassified intelligence reports that Iran had supplied Scud missile technology, as well as solid fuel technology, to both Libya and Syria. In the words of the Director of Central Intelligence George Tenet, it is " Iran's existence as a secondary supplier of this technology to other countries that worries me the most."[25]

It has been estimated by American intelligence reports that Iraq could theoretically test an ICBM, based on the North Korean Taepo Dong- 1, before 2010. Since Operation Desert Fox in 1998, United Nations arms inspectors have been refused entry into Iraq. Equally disturbing for arms inspectors is the fact that permanent cameras mounted in the vicinity of known weapons production facilities are no longer in operation. While the American Director of Central Intelligence has indicated that little concrete evidence is available to indicate an ambitious rearmament program, it is assumed, because of Iraq's previous behaviour and frequent attempts to conceal its WMD capabilities, that progress has been made to reinitiate its weapons production infrastructure.[26]

North Korean activities have stimulated the proliferation of ballistic missiles in recent years. The flight test of the Taepo Dong missile in 1998 highlighted Pyongyang's domestic capabilities. The flight test failed to successfully display multiple staging but nevertheless served as an indication of Pyongyang's burgeoning missile status. It is argued by BMD advocates that, thanks in large part to support and assistance from China, the North Korean Taepo Dong I space launch vehicle could be transformed into an ICBM, capable of delivering a modest payload to the continental US. The Taepo Dong 2, also designed to serve as a satellite-launching platform, will be easily weaponized and will be able to deliver payloads of several hundred kilograms to the United States. It is estimated that North Korea has produced sufficient levels of plutonium from its Yongbyon reactor to produce one or two nuclear warheads.[27]

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[24]Bob Walpole, National Intelligence Officer for Strategic and Nuclear Programs, "Foreign Missile Developments and the Ballistic Missile Threat to the United States Through 2015", National Intelligence Council Report (September 1999). Extracted on February 2001 from Central Intelligence Agency website: (www.cia.gov/cia/publications/nie99msl).

[25]"Iran's Ballistic Missile and Weapons of Mass Destruction Programs", report to the Senate Subcommittee on International Security, Proliferation, and Federal Services of the Committee of Governmental Affairs (September 21, 2000). Extracted on February 2001 from the Federation of Atomic Scientists website: see (www.fas.org/irp/congress/2000).

[26]Ibid.

[27]Director of Central Intelligence report to Congress, "Unclassified Report to Congress on the Acquisition of Technology Relating to Weapons of Mass Destruction and Advanced Conventional Munitions, 1 January Through

Syria spent much of the year 2000 developing its chemical weapons capabilities and is improving its missile program to serve as a means of delivery. Damascus currently maintains a stockpile of the nerve agent sarin and is expected to be developing more deadly and persistent chemical agents. The American Director of Central Intelligence reported that Syria is also expected to be developing biological weapons. Damascus has experimented with liquid- fuelled Scud missiles and has relied on assistance from North Korea and Russia for technological advice in the production of its more sophisticated solid- fuelled rockets.[28]

Russian efforts to curb the proliferation of ballistic missiles have been less than exemplary. For Moscow, the sale of weapons systems abroad represents a badly needed source of hard currency. As the formerly public- owned industries struggle with the challenges of privatization, there is a decreasing concern for strategic considerations when exporting dual-purpose goods that may be valuable in the production of missiles. Between the months of January and June of 2000, it was revealed that Russia had continued to supply ballistic missile related goods and services to Iran, Iraq, India, China and Libya. Indeed, Iran's launch of the Shahab- 3 was, to a large extent, a result of Russian technology and systems transfers. Russia has also extended a great deal of assistance and support to Iran's Bushehr Nuclear Power Plant which has significantly enhanced Tehran's ability to support a nuclear weapons research program. Similar cooperation was extended to Syria to assist Damascus in its development of its civil use of nuclear power. In a recent article published in *Kommersant- Daily* on February 23, 2001, President Putin himself acknowledged that Russian agencies had been less than diligent in preventing the proliferation of sensitive technologies and materials.[29]

Like North Korea's missile program, the People's Republic of China has embraced the economic incentives in exporting its missile technologies to countries abroad. With new ballistic missile projects under development, the Chinese government has a vested interest in securing export markets for its finished products. As a result, Chinese officials have gone to great lengths to diminish the perceived strategic significance of missile proliferation. According to unofficial Chinese governmental sources, "The impact of missile proliferation, on the one hand, should not be exaggerated. In fact, missile systems occupy a very small place, compared to combat aircraft, in the arsenals of most countries. Why should ballistic missiles be singled out from other kinds of delivery vehicles?"[30] Clearly, little evidence exists to support the notion that the PRC will actively decrease its missile sales to foreign markets in the near future.

If the number of ballistic missile states continues to grow, it is quite imaginable that the US will become more cautious or reluctant when gauging the merits of intervening as the leader of a NATO or UN coalition in a regional conflict or crisis. Advocates of strategic defence argue that such caution could have detrimental consequences for international stability. As witnessed

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30 June 2000"

[28]Director of Central Intelligence Report to US Congress.

[29]*Radio Free Europe*, Newsline vol.5 no.39 (February 26, 2001). Extracted from FAS website March 5, 2001. See (http://sun00781.dn.net/news/index).

[30]Aaron Karp. Ballistic Missile Proliferation (Oxford: Oxford University Press, 1996), 30.

during the early years of the conflict in the Balkans, European forces were incapable of separating the warring factions and failed to make significant progress in the direction of peace. Today, peace in the former Yugoslavia remains a precarious affair, but it is largely because of the American presence in the Balkans that stability is reluctantly returning. Ballistic missile defences might provide American leaders with the political will to "lead and hedge" during times of conflict. As the sole remaining super power, the United States maintains a number of unique responsibilities, responsibilities from which Washington should not be deterred from upholding. Failure to maintain security guarantees might prompt allies to pursue independent security arrangements which could conceivably involve the deployment of nuclear weapons. In order for Washington to stem this form of proliferation, it is essential that the US be able to extend its security guarantees in a manner that prohibits various states of concern from influencing or deterring its policies.

The proliferation of ballistic missiles demands an assessment of the risks involved with accidental or unauthorized launches. An alarming yet under publicized event that unfolded in January 1995 serves as a reminder of the potential for human or mechanical error that can infiltrate the command and control process of a ballistic missile force. On January 25, 1995 a multiple stage missile was launched off the Norwegian coast with the purpose of gathering meteorological data. Norwegian officials had, in fact, contacted Russian authorities weeks in advance to inform them of the intended launch. Nevertheless, the missile was detected by Russian radar stations and was initially identified by Russian authorities as a submarine launched ballistic missile, capable of dropping up to eight nuclear warheads over Moscow in under 15 minutes. The electronic briefcase, in the possession of President Boris Yeltsin, was activated for emergency use for the first time ever. Roughly eight minutes before the deadline arrived for Yeltsin to order an effective retaliatory launch, the civilian missile was properly identified.[31]

This unnerving incident reminds the reader of the dangers of maintaining missiles at hair- trigger levels of alert and highlights the importance of maintaining effective controls over launch procedures. Russia's early warning capabilities and procedural fail safes are currently in a state of decay. In February 1997, the Russian organization responsible for implementing and maintaining effective launch controls for Russia's Strategic Rocket Force staged a strike to convey their concerns regarding the dangerously insufficient funds allocated to equipment upgrades. Then Defence Minister, Igor Rodionov, reiterated the urgency of the problem when he stated three days after the aforementioned strike, "if the shortage of funds persists...Russia may soon approach a threshold beyond which its missiles and nuclear systems become uncontrollable."[32]

During the Cold War, it was believed that mutual vulnerability would reduce the need for either Moscow or Washington to pursue offensive arms racing. In June 1972, (then National Security

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[31]Stephen Cimbala, "Accidental/Inadvertent Nuclear War and Information Warfare", *Armed Forces and Society* vol. 25 issue 4 (Summer 1999), 659.

[32]Bruce G. Blair, Harold A. Feiveson and Frank N von Hippel, "Taking Nuclear Weapons off Hair- Trigger Alert", *Scientific America* (November, 1997), 75.

Advisor) Henry Kissinger reaffirmed the strategic rationale behind the ABM Treaty when he stated, "...by setting a limit to ABM defenses...the treaty reduces the incentive for continuing the deployment of offensive systems."[33] A brief examination of the activities of both American and Soviet force planners throughout much of the Cold War reveals a reluctance on behalf of both states to fully and whole- heartedly endorse the concept of stability through mutual vulnerability.

The seemingly paradoxical logic of maintaining stability by intentionally rendering one's self vulnerable to destruction was not lost on either Soviet or American force planners during the Cold War (post- ABM Treaty). In fact, evidence suggests that neither side subscribed to the theory of MAD with the truest of intentions. The offensive dominance and extreme vulnerability that characterized both Soviet and American positions throughout much of the Cold War, cast fearful visions in the minds of many American military officials of a nuclear Pearl Harbor. Thomas Schelling referred to this phenomenon as the "reciprocal fear of surprise attack."[34] As a result, both Soviet and American planers conceived of ways in which a nuclear war could be fought and made the required offensive arms adjustments to improve their chances of success. The aspirations of Henry Kissinger at the signing of the ABM Treaty were proven inaccurate and the notion of mutually assured vulnerability was not enough to convince both sides to restrain their offensive arms capabilities. Indeed, from the year the ABM Treaty was signed until the end of the Cold War, the number of Soviet nuclear warheads soared from approximately 2000 to roughly 12,000.[35]

Arms control agreements have less opportunity for success when they are instigated and implemented against a background of vulnerability and uncertainty. BMD can provide a reassuring hedge against the risks of pursuing arms control arrangements. According to strategic defence proponents, even a thin layer of national missile defence might make the consequences of cheating and break out far less severe. The presence of a modest ABM system might allow the United States to pursue ambitious arms control agreements in the future.

Stephen Van Evera's criteria for achieving stability under MAD must be reiterated. While Van Evera insists that the alternatives to mutually assured destruction are less desirable and potentially destabilizing, tacit recognition is given to the dangers of maintaining defensive vulnerability if the cost and risk assessments of potential adversaries reduce the likelihood of successful deterrence.[36] Advocates of NMD reiterate the complexities and inherent risks involved with deterrence theory in advancing the case for BMD deployment.

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[33] William Durch, The ABM Treaty and Western Security. (Massachusetts: Ballinger Publishing Company, 1988), 37.

[34]Lawrence Freedman, "The First Two Generations of Nuclear Strategists", in Makers of Modern Strategy, ed. Peter Paret (New Jersey: Princeton University Press, 1986), 754.

[35]Baker Spring, "Myths About Missile Defense and the Arms Race", *The Heritage Foundation*, Backgrounder no. 1385 (July 13, 2000). Extracted on February 2001 from *Heritage Foundation* website: www.heritage.org/library/backgrounder/bg/1385.html

[36]Van Evera, 243.

When issuing threats, it is assumed that the threatened party will accurately perceive your level of commitment and resolve. It is also assumed that the would- be aggressor will realize that there is no benefit in challenging the status quo based on the communicated threat. Lastly, it is assumed that the adversary will calculate costs and risks in a predictable manner, eventually culminating in the acceptance of defeat before a shot can even be fired. The Soviet Union and the United States never launched a nuclear weapon in anger or during times of crisis. But is this proof positive that nuclear deterrence will continue to function as smoothly during the post- Cold War world? Despite the nuclear brinkmanship displayed during the Cuban Missile Crisis of 1962, the absence of nuclear war is sufficient proof for Joseph Nye, former Assistant Secretary of Defense for International Security Affairs that deterrence will continue to function effectively. Joseph Nye reaffirmed that, "if deterrence prevented 10,000 Soviet missiles from reaching the United States, it baffles me as to why it wouldn't prevent 20 Chinese missiles from reaching Alaska."[37]

It is important to note that deterrence has failed in the past when states have been confronted by leaders who appeared to act "irrationally". In such instances, deterrence fails to influence behaviour in an expected manner not because the leader being threatened is demented or incapable of rational thought. Indeed, the failure to respond predictably to deterrent threats is, more often than not, the result of calculations that are entirely rational. As the Falklands conflict illustrated, internal pressures can compel a leader to accept risks that would otherwise be refused.[38]

A number of factors guaranteed that Saddam Hussein would not be deterred during the events leading up to the Gulf War. Convinced of an American- Zionist conspiracy to exert economic pressure on Iraq through Washington's Gulf allies, Saddam Hussein firmly believed that he had to take adequate measures to strengthen Iraq's position against an impending confrontation. The Iran- Iraq war had taken a toll on Iraq's economy and the ability to influence the price of Gulf oil was imperative if Iraq was to stage a recovery. Saddam Hussein was seduced by visions of Iraq becoming a regional great power, capable of leading the Arab states and taking its commensurate position on the international stage. These contributing factors ensured that deterrence would have little chance of succeeding in the Gulf War.[39]

The inherent risks involved with issuing deterrent threats have had a significant impact on officials within the Bush administration. Secretary of Defense Donald Rumsfeld has cautioned

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[37]Keith Payne, "Missile Defense and the ABM Treaty", United States Congressional Testimony (October 13, 1999).
[38]It would appear, at first glance, that Argentina would have little to gain from taking on Britain's powerful navy. Nevertheless, a very poor performance domestically on a range of economic and social issues had inspired the Argentine junta to seize the island chain. An inability to resurrect a suffering economy convinced the junta that capturing the islands would restore confidence in their authority. For greater details regarding the fragile logic of nuclear deterrence see Robert Jervis, Richard Lebow and Janice Gross Stein, Psychology and Deterrence (Baltimore: The Johns Hopkins University Press, 1985), 98.
[39]Alexander L. George and William E. Simons, The Limits of Coercive Diplomacy, (Boulder: Westview Press, 1994), 235.

against maintaining a continued reliance on a myopic view of deterrence as espoused by Joseph Nye. Rumsfeld has argued that the tendency to presume that nuclear deterrence will deter not only Russia but also less powerful, "renegade" states like Iraq is "obviously, historically wrong."[40]

Harvard University's Graham Allison is equally sceptical of the merits of a nuclear deterrence policy that emphasizes only one element of the deterrence equation, namely offensive weapons capability. The other crucial component, Allison suggests, "is the credibility of US *will* to use that capability."[41] Allison, a strategic expert who formerly served in the Pentagon under the Clinton administration, has concluded that, "It is timely to examine again how well - or how poorly - we understand other states' calculus of costs and benefits, and how that understanding should affect the forces and weapons we acquire, and how to deploy them."[42]

The limited version of NMD, currently under development, would initially provide a continental defence against approximately 20- 30 incoming warheads. Under the jurisdiction of the Ballistic Missile Defense Organization, the NMD program has conducted five of the 21 integrated flight tests (IFT's) scheduled to take place before deployment. The flight tests are crucial in evaluating the various components involved in conducting a mid- course interception.[43]

An independent review committee with a mandate to recommend deployment based on technological milestones has expressed satisfaction with what the system has been able to demonstrate to date. The National Missile Defense Independent Review Team (NMD IRT)[44] issued its most recent report on 13 June, 2000, confirming that the BMDO remains satisfactorily on course for C1 deployment by 2005- 2007 citing, "important program progress in the past

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[40]Paul Mann, "Bush Team Rethinks Strategic Doctrine", *Aviation Week & Space Technology* (January 22, 2001), 26.

[41]Ibid.

[42]Ibid.

[43]The first and second IFT's were conducted solely to evaluate the capabilities of competing exo- atmospheric kill vehicle (EKV) models. IFT- 3, 4, and 5 were specifically intended to test the system's hit- to- kill technology. " According to the BMDO, the success of IFT-3 was gauged according to the EKV's ability to: 1) separate from the launch vehicle, 2) acquire and track the objects located within the target complex, 3) identify and home in on the RV to complete the interception process. The third flight test sought to evaluate a number of secondary goals as well. IFT-3 hoped to demonstrate the integration of the systems components, including the ground- based radar prototype and BMC3 elements." IFT- 3 has been deemed significant in the evolution of NMD deployment as it successfully conducted a mid- course interception, roughly 100 miles above the earth's surface. During IFT-4, the failure to intercept the target missile was due to a malfunction which inhibited cooling requirements for the infra-red sensors. Consequently, the infra- red guidance required to successfully complete a mid- course interception was not provided and the EKV missed its target by approximately 100 metres. During ITF-5, the GBI was launched without difficulty, however, the EKV did not receive the relevant signals indicating that second stage burn had been completed. The target missile was never engaged by the EKV. (BMDO website: www.acq.osd.mil/bmdo/bmdolink/pdf)

[44]The IRT is comprised of 12 military experts and is led by Air Force General (Ret.) Larry Welch.

year."[45] Nevertheless, BMD critics such as John Steinbruner have questioned the optimism displayed by the BMDO and the IRT. Steinbruner argues that the limited success displayed during the initial flight tests is not representative of the system's true capabilities. The controlled variables and pre- determined trajectories used during flight tests, combined with the absence of realistic countermeasures, have in Steinbruner's view, demonstrated that the NMD interceptor is capable of , "killing a tethered goat."[46]

Frank Harvey has also raised the distinction that must be made between the program's technical and political effectiveness. The poor performance of Patriot missile batteries during the Gulf War, it has been noted, did not prevent the deployment of missile defences from achieving a political goal. While the interception of Scud missiles proved beyond the capabilities of the PAC-2 systems, the presence of these defensive weapons effectively dissuaded Israeli forces from entering the Gulf War as Saddam Hussein had hoped. Harvey has argued that similar considerations must be given when evaluating the merits of deploying a limited national defence against ballistic missiles. While NMD might ultimately prove to be susceptible to countermeasures and decoys, its mere presence will likely have an impact on the calculations of American adversaries contemplating the credibility of Washington's deterrent threat.

Advocates of BMD have argued that the deployment of a limited NMD would enhance Washington's current nuclear deterrent by increasing the likelihood that American forces would intervene in a regional conflict. In a report written by James Fergusson,[47] the vulnerability of the American public, or forward- deployed American troops, to a ballistic missiles attack is said to impact negatively upon the perceived credibility of American deterrent threats. Even a limited population defence could provide a greater degree of reassurance to decision- makers in Washington that the American public would be supportive of military intervention if a deterrent threat issued by the US was ignored.[48]

Supporters of a limited NMD are sceptical of the traditional criticisms of strategic defence that served to derail BMD deployment during the Cold War. The post- Cold War security environment, it is argued, no longer resembles a rigid, bi- polar world where weapons of mass destruction are concentrated in the hands of a few. The questionable logic of nuclear deterrence prevents today's BMD advocates from embracing the Cold War induced concepts of vulnerability and assured destruction. Proponents of strategic defence, such as Keith Payne, question the ability of arms control initiatives and verification regimes to diminish the threat posed by the proliferation of ballistic missiles. Payne has argued that the Gulf War and its aftermath revealed the inability of arms control regimes to effectively monitor and verify Iraqi

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[45]National Missile Defense Independent Review Team, Executive Summary (13 June, 2000). Extracted from BMDO website January 2001: www.acq.osd.mil/bmdo/bmdolink/pdf/welchsum.pdf

[46]Steinbruner, Statement to Standing Committee on National Defence and Veterans Affairs.

[47]Dr. Fergusson is the Deputy Director of the Centre for Defence and Security Studies at the University of Manitoba.

[48]James Fergusson. "Ballistic Missile Defence: Implications for the Alliance", NATO Fellowship Report (Centre for Defence and Security Studies: University of Manitoba, June 2000), 24.

ballistic missile and WMD capabilities. This lack of confidence in arms control alternatives has inspired proponents of strategic defence to emphasize the importance of BMD in providing a hedge against arms control cheaters.[49]

Conclusion

The ultimate deployment of some variety of ballistic missile defence seems likely given its enthusiastic endorsement by leading figures in the current Bush administration. Secretary of State Colin Powell and Secretary of Defense Donald Rumsfeld have frequently reiterated their determination to deploy NMD. This momentum has encouraged many analysts to believe that the overriding question surrounding the BMD debate is no longer whether to deploy but what to deploy. The seeming inevitability of deployment does not, however, diminish the significance of the concerns raised by opponents of BMD. The technological hurdles pertaining to the nature of mid- course and near- terminal phase interception remain. The currently proposed system of NMD has not reliably demonstrated the ability to discriminate between warheads and sophisticated decoys that might accompany ballistic missiles in any numbers at all.

The difficulties associated with hitting many bullets with many other bullets in outer space might, however, be significantly reduced by the deployment of BPI systems. By adding a layer of forward- deployable BPI to the American defensive force structure, the countermeasures and decoys that critics have claimed would easily overwhelm a limited system of NMD would be eliminated by the destruction of the booster before separation had taken place. The advantages of being able to track and engage missile targets during their earliest burn stage, when the target is large and hot as opposed to small and cold, would translate into far fewer incoming re-entry vehicles for NMD interceptors to destroy.

Stephen Van Evera's necessary conditions for the maintenance of international stability in a climate characterized by mutually assured destruction may also prove to be critical in justifying the deployment of a limited missile defence. Van Evera specifically states that assured vulnerability and offensive force dominance are likely to generate instability as the number of states capable of issuing deterrent threats increases.[50] Equally integral to the maintenance of stability in a MAD world is the requirement that all states be deterrable. Proponents of BMD, such as Keith Payne, have suggested that Van Evera's conditions may be met less frequently in the post- Cold War security environment. Proliferation has broadened the constellation of ballistic missile states and analysts such asRobert Jervis, Richard Lebow and Janice Gross Stein have clearly demonstrated the plausibility of major deterrence failures. The deployment of strategic defence might well come to be seen as the only way to strengthen the precarious logic upon which deterrence theory rests by bolstering the credibility of Washington's deterrent threats.

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[49]Payne, "Rationale and Requirements for US Nuclear Forces and Arms Control", *National Institute for Public* Policy (January, 2001), 2.
[50]Van Evera, 242.

Any shift from an offensive dominant environment to one wherein the United States alone maintains a defensive weapons capability will likely face strong Chinese and Russian objections. If Beijing and Moscow remain convinced that a limited NMD exists only as a springboard for the establishment of an American first- strike capability the decision to reciprocate with an offensive arms build up of their own would be highly probable. On balance, it seems likely that strategic defence proponents in the Bush administration will argue that the deployment of limited defences in conjunction with deep cuts in American offensive nuclear weapons will suffice to reassure Moscow and Beijing.

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Imperial Defence: a Canadian Heritage Moment Replayed.
Will Star Wars sink the Canadian battleship?[1]

by

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[1]The ideas expressed in this paper reflect those of the author and not necessarily those of the Royal Military College of Canada or any other agency of the government of Canada.

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The case is simple. Provision for the protection of the country is a necessity of the world's conditions. It would have to be made and paid for no matter what Canada's political affiliations. It is something to be regarded as a duty, not as a matter of hurrah or political profit or partisan zeal.

Thus commented the *Montreal Gazette* on Canadian defence policy. The political debate alluded to concerns Canadian defence obligations within an international context. Although the debate has nothing to do with the National Missile Defence (NMD) scheme currently on the political agenda, the similarities between this debate and the one which gave rise to the aforementioned comment by the Montreal Gazette, are striking. Ninety years ago, the country was deeply divided over a policy that would go down in history as the 1910 Naval debate, leading to the Naval Service Act, 1911.[4] It would become the cornerstone of the Royal Canadian Navy.

We argue that to some extent, the NMD debate is a corollary of the 1910 debate. The objective of this paper is to clarify the current stakes by interpreting the con- and divergences between the two debates macroscopically. Canadian defence policy is inextricably linked to the ubiquitous questions of unity and independence. The 1911 Naval Bill exemplifies this claim. The current NMD debate strikes the same nerve -- but in a somewhat nuanced manner. Then as now, sovereignty was the real point of contention. Based on former Minister of Foreign Affairs Lloyd Axworthy's assertation that "Geographic proximity, economic integration and cultural interpenetration are at once the determinants of the ongoing challenges in [Canada's] relationship [with the United States],"[5] we argue that since 1911 there has developed a curious dialectic between defence and economic integration that differentiates the current context from 1911. In this altered context, we contend, the popular dichotomy between independence and subjugation is false: the challenge is to optimize Canadian sovereignty through inter-operability. As a result of the aforementioned dialectic, inter-operability of Canadian and American forces is indispensable to enhancing Canadian sovereignty. Excessive inter-operability, however, will erode sovereignty as it would outpace Canada's relationship with its other allies. Canada's response to NMD is thus contingent upon inter-operability.

1. The advent of the Royal Canadian Navy

By 1909 the remnants of the *Pax Britannica* were withering away. War was looming in Europe. The Kriegsmarine was menacing Britain's naval supremacy. Germany's military-industrial machine was in high gear and, like other major powers, Britain reacted accordingly. Protracted conflict seemed inevitable. The British Empire covered a quarter of the globe, included a third of its population, and the Royal Navy controlled the seas. Germany had been a latecomer to the industrial revolution and to the movement to obtain overseas territories, but it quickly made up for lost time. The advent of the Wilhelmine Era in 1890 marked the end of

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[4]The Statutes of Canada, 1910 Chapter 43. An Act Respecting the Naval Service of Canada. Ottawa: King's Printer, 1911.

[5]Lloyd Axworthy, "Between globalization and multipolarity: the case for a global human Canadian foreign policy," Revue Études Internationales XXVIII(1), March 1997: 4.

Bismarck's cautious diplomacy. In 1898 the Reichstag passed its first naval bill. The Supplementary Naval Act of 1900 sealed Germany's rivalry with the British.

As the senior British Dominion, Canada would inevitably become embroiled in the impending conflict; constitutional law and English Canada would ensure that when "Britain is at war, Canada is at war."[6] As early as 1878, Canada began training its own army officers, although Canadian officers remained under the command of British Generals, often being seconded to the Imperial Service and seeing action in the various hot spots of the Empire. For the protection of its coastline and seaports, however, the Dominion continued to rely upon the Royal Navy. In 1881 there was an abortive effort to create a Canadian Navy, and this was supported by the Militia Act, 1868 which provided for the founding of a "Marine Militia." Alas little support was found for the creation of a Canadian naval service, the Dominion government focusing upon internal affairs.[7]

In the early twentieth century, the Dominion faced two conundra: having thus far relied on the British, what sort of defence obligations did Canada have vis-à-vis the United Kingdom? And would the British still be in a position to adequately defend the Dominion's coastline and seaports if war broke out? In 1900 Canadians paid 33 cents per-capita for defence, the lowest military tax in the world; consequently, the answers to these questions would inevitably be controversial.[8] The Pan-Imperial policy of *One Fleet One Flag One Throne*, was not just a throwaway sentence placed in the front of children's school textbooks.[9] Rather, it was an economical method of defence.

Pressured in the House of Commons by imperialist Sir George Foster, on 12 January 1910 then Prime Minister Sir Wilfred Laurier responded to the specific demands voiced at the Naval Conference of 1909 where Britain turned to its dominions for aid in the naval race, by introducing another compromise.[10] The Naval Service Bill made provision for five cruisers and six destroyers, plus the recruitment and training of the requisite mariners. This Royal Canadian Navy could be placed under Imperial command if deemed necessary by the Governor in Council.[11] In Laurier's eyes, it was an adequate reflection of Canadian Imperial relations as it "asserted a Canadian autonomy that was neither colonial subordination nor national independence".[12] Laurier saw no reason why the country would not rally behind his decision. In effect, it left the country deeply divided.

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[6] Arthur Berriedale Keith. The War Governmetns of the British Dominions, (Oxford: Clarendon Press, 1921), p. 74.
[7] Marc Milner. Canada's Navy: The First Century, (Toronto: University of Toronto Press, 1999), p. 5.
[8] Ramsay Cook (ed), Imperial Relations in the Age of Laurier, (Toronto: University of Toronto Press, 1969), p. 45.
[9] Most English Canadian primary and secondary school text books contained this phrase along with a portrait of the King. After the First World War the phrase is no longer used with as much frequency and is practically extinct by the advent of the Second World War.
[10] Ramsay Cook, "The Triumph and Trials of Materialism" in The Illustrated History of Canada (Toronto: Lester, 1996), Craig Brown ed., p. 404. C. P. Stacey, Canada and the Age of Conflict: A History of Canadian External Policies, Volume I: 1867–1921 (Toronto: Macmillan, 1977), p. 134.
[11] This meant that cabinet would have to agree to place the Royal Canadian Navy under British control. Chapter 43, section 6, 1910 Statutes of Canada. Ottawa: King's Printer, 1910.
[12] H. Blair Neatby, "The New Century" in The Canadians: 1867–1967 (Toronto: Macmillan, 1967), J. M. S. Careless and R. Craig Brown eds., p. 169.

In good Canadian fashion, the "reasonable compromise as a solution" that was meant to unite the country only divided it further.[13] Foreshadowing the conscription crisis that would soon undermine the country's unity, French Canadians opposed the bill because they did not want to get embroiled in what they saw as an imperial war. They insisted on reducing external liabilities, focusing instead on the physical defence of Canada.[14] In his newly-created newspaper Le Devoir, noted French Canadian nationalist Henri Bourassa cautioned repeatedly against supporting British imperialism that such actions as the Naval Bill would set.[15] Such a commitment would set a dangerous precedent. Conscription, he argued, would be the next logical step if Canada continued to involve itself in affairs that did not directly concern its citizens. Paradoxically, French Canadians thus came to consider their first Canadian Prime Minister "too English". Conversely, the English provinces agreed that Canada had a duty to help the British navy resist threats to its superiority. Conservative opposition leader Robert Borden denounced it as a treasonable act to offer such a "tin pot navy" and demanded the direct contribution either of two dreadnoughts, or the capital to build the two ships.[16] For English Canadians, Laurier was "too French" because he was unwilling to offer anything more substantial to the Imperial cause. The country was divided between English imperialist and French nationalist hard liners -- whose common enemy Laurier became. Laurier's penchant for compromise had kept him in power for 15 years. Even though Laurier was able to guide the Bill through Parliament without modification to its original intent, the emotions that had been aroused for a second time since the Boer War were too powerful for the public to forget quickly.[17] These tensions persisted throughout the election campaign called during the late summer of 1911...

2. The dialectic between defence and economic integration

One of the four elements of Max Weber's classic definition of a state is its monopoly on violence over a specific territory. Given Canada's geostrategical situation and its extensive coastline, the creation of its own navy was arguably an even more significant milestone on the country's trajectory towards sovereignty than the creation of its own army. Granted, at the time both were still integrated into the British forces but World War I -- especially the experience at Vimy Ridge -- would soon change that. In a sense, the contribution its armed forces made to the Great War effort allowed Canada to assert its maturity. By the end of the War, its forces were de

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[13] Ibid, p. 180.
[14] Cook, p. 404.
[15] Ibid.
[16] J. W. Dafoe, Laurier: A Study in Canadian Politics (Toronto: McClelland and Stewart, 1963), p. 60.
[17] Stacey, p. 134.

jure operating independently of the British, a fate that was sealed *de facto* in Resolution IX of the Imperial War Conference[18] and later with the Statute of Westminster, 1931.[19]

The creation of the Royal Canadian Navy, then, was a crucial first step to extricating the Dominion from the Imperial sphere of influence. During the 1920s, British military, political and economic hegemony over Canada was in rapid decline. As the British sphere was retracting, another sphere was in rapid expansion. During the same decade, for instance, American investment in Canada was quickly displacing British investment.[20] This propensity has mushroomed to the extent where today two-thirds of the Canadian economy hinges on the United States.[21]

The danger here, however, is to interpret this evolution as wholly natural, perhaps even inevitable. This would most certainly be a myopic misinterpretation. Canadian foreign and economic policy clearly reinforced Canadian ties shifting from East to South. It is not by accident that this reorientation coincides with specific political mandates.

Both the Liberals and Conservatives were Imperialists, both believed strongly in the necessity of British hegemony of the seas, and both groups believed that Britain was the fount of "freedom...democracy...and civilization."[22] Yet, their views of Canada's role in the Empire differed. Conservatives saw a relationship based on historical links and obligations, while Liberals viewed the relationship as mutually advantageous so long as the Dominion was granted ever increasing autonomy.

Laurier's means towards greater autonomy was isolationism; so, he severed Canada's two main umbilical cords with Britain: the military and the economy. That explains why he opted for the establishment of an independent Canadian Navy, (rather than an immediate contribution to the British Royal Navy as advocated by the Conservatives) and for unrestricted reciprocity (better known today as free trade) with the United States.[23] This was a clever plan to divert attention from the divisive naval debate, redirecting it to what the Liberals considered a positive

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[18]Resolution IX of the 1917 Imperial War Conference was essentially the foundation for what would later become the Statute of Westminster. The resolution affirmed the preservation of "all existing powers of self-government and complete control of domestic affairs, that it must be based on a complete recognitions of the Dominions as autonomous nations of an Imperial Commonwealth." H. Wilson, The Imperial Policy of Sir Robert Borden, (Gainesville: University of Florida, 1966), p. 44.

[19]The Statute of Westminster, 1931 is the instrument with which Canada achieved almost complete independence from the United Kingdom. The only power not bestowed upon the Dominion government was the ability to amend the British North America Act. Leaving the power of amendment in Imperial hands was seen as desirable as no indigenous amending formula could be agreed upon.

[20] David V.J. Bell and Lorne Tepperman, The Roots of Disunity: A Look at Canadian Political Culture (Toronto: McClelland and Stewart, 1979), p. 165.

[21] Kari Levitt, Silent Surrender: the multinational corporation in Canada ; The Watkins Report -- Foreign Ownership and the Structure of Canadian Industry (Toronto: Macmillan Press, 1970); Wallace Clement, Continental Corporate Power: economic elite linkages between Canada and the United States (Toronto: McClelland and Stewart Ltd., 1977) ; Philip Resnick Land of Cain: class and nationalism in English Canada 1945-1975 (Vancouver, New Star Books, 1977) ; Gray Task Force, Foreign Direct Investment in Canada (Ottawa: Information Canada, 1972).

[22]Canada, House of Commons, Debates, 19 August, 1914, p. 9. Laurier to the House of Commons.

[23] Peter C. Newman, "The Lack of Conservative-Liberal Differences in Canadian Politics," in Gordon Hawkins (ed.), Order and Good Government (Toronto: University of Toronto Press, 1965), p. 97.

step for Canadian autonomy.[24] Based on that worldview, closer ties with the Americans are more of an unintended consequence than a deliberate policy: strengthening ties with the United States was more of an antidote to British malaise than a foreign policy objective. Canada's stance during the inter war years was hardly pro-American. Mackenzie King, for one, was just as suspicious of the Americans as he was of the British. He carried through Laurier's isolationist policy, which is hardly surprising given his government's preoccupation with domestic problems that arose out of the Great Depression.

Still, George Grant's lament for Canada originates with Mackenzie King. Grant contends that Mackenzie King laid the groundwork which would eventually allow John Diefenbaker to sell out on Canadian independence.[25] Economic nationalists like Grant argue that a nation's survival and independence are conditional on its ability to retain control over its economic affairs. Economic nationalism can thus be defined as "the desire that the nation have the ability to make decisions about its economic condition and structures indigenously, independently and autonomously".[26] Rather than seeking greater economic integration with other nations, economic nationalists argue that "a nation-state should seek [...] to avoid dependence on foreigners [and] should strive to forge a distinct economic unit to safeguard its political, cultural and social separateness".[27] It is, therefore, in the national interest for the government to ensure that the nation's economy be predominantly domestically owned and controlled and that it is not overly reliant on other countries for new technology, skilled labour, or investment.

It is true that politically, Diefenbaker asserted Canada's independence vis-à-vis the Americans and even initiated a rapprochement with Great Britain. Paradoxically, the creation of the 1958 North American Air Defence Agreement actually enhanced Canada's sovereignty by allowing it to retain some measure of control over military operations within its borders.[28] But clearly economic policy did not mirror that autonomous approach.[29] We have to remember that in contrast to its Imperial obligations of the First World War -- which dictated that where Britain went Canada would follow -- Canada entered the Second World War as an independent country. This independence was largely due to the maturity it had been able to manifest during the former

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[24] Cook, p. 405.

[25] George Grant, Lament for a Nation: the defeat of Canadian nationalism (Toronto: McClelland and Stewart, 1965), chapter 4.

[26] Kim Richard Nossal, "Economic Nationalism and Continental Integration: Assumptions, Arguments and Advocacies" in Denis Stairs and Gilbert R. Winham eds., The Politics of Canada's Economic Relationship with the United States, vol. 29 of the research studies prepared for the Royal Commission on Economic Union and Development Prospects of Canada [the Macdonald Commission] (Toronto: University of Toronto Press, 1985), p. 65. For an elaboration of the economic nationalist argument see Stephen Clarkson, "The Choice to be Made," in Stephen Clarkson, An Independent Foreign Policy for Canada (Toronto: McClelland and Stewart Ltd., 1968).

[27] Ibid, p. 56.

[28] Michael Tucker, Canadian Foreign Policy: Contemporary Issues and Themes (Toronto: McGraw-Hill Ryerson Ltd., 1980), p. 150; Danforth W. Middlemiss and Joel J. Sokolsky, Canadian Defence: Decisions and Determinants (Toronto: Harcourt Brace Janovich, 1989), pp. 154; 169-170. For the counter-argument see Stephen Clarkson, Canada and the Reagan Challenge: Crisis and Adjustment, 1981-1985, second edition (Toronto: James Lorimer & Co. Ltd., 1985), p. 254.

[29] Jon B. McLin, Canada's changing defense policy, 1957-1963; the problems of a middle power in alliance (Baltimore: Johns Hopkins University Press, 1967).

conflict, a maturity facilitated in part by the naval policy that came out of Laurier's desire to acquire greater autonomy from the British. Louis St. Laurent and his lieutenant Lester Pearson capitalized on this new-found independence by actively pursuing an internationalist foreign policy that climaxed with Canada's mediation of the Suez crisis in 1956, for which Pearson was subsequently awarded with the Nobel peace prize. Internationalism can be defined as a willingness to engage, in cooperation with other nations, in acts of "good international citizenship" with the aim of "creating, maintaining, and managing a community at the global level."[30] That period is now considered the golden age of Canadian foreign policy because of the pivotal role Canada was able to assume in international relations.

The same can not, however, be said of Canadian economic policy. While Laurier's Naval Bill played an important role in laying the groundwork on which Canadian sovereignty could mature to the extent where it was able to take on an internationalist role far greater than its status as an intermediary power might normally have allowed for, St. Laurent picked up on Laurier's economic liberalism which continued to mature with Diefenbaker. The small-town Saskatchewan populist got elected by appealing to an inherently unstable coalition between the West and Quebec. Ironically, only three and a half decades after his Conservative predecessor Borden had objected to Laurier's reciprocity treaty on the grounds that it would change the patterns of trade from East—West within Canada to North—South with the United States,[31] Diefenbaker catered to his Western constituency by abandoning the economic nation-building policy that heralded from Confederation.[32] As a result, Canadian provinces now trade more with foreigners than with each other; in 1996, trade between provinces was worth $160 billion, compared to $293 billion for international exports.[33] He sympathized with Westerners perceiving their provinces as a colonial hinterland serving the interests of the central Canadian heartland; hence, he acquiesced to the long-standing Western demands for more trade liberties with the States which Westerners regarded as the best remedy for their "colonial injustice." Diefenbaker thus abandoned the MacDonald's economic nation-building policy in order to ease Western dependency on central Canada.

This view has become known as continentalism. Continentalists believe closer economic integration with the US ensures Canada's prosperity and long-term survival as an independent nation. They argue that the integration of the Canadian economy into the much larger continental market results in greater and more efficient production and higher levels of employment in Canada. Integration thus has a positive economic impact in Canada and actually improves Canada's ability to maintain its independence; wealthier nations are more able to afford those institutions and programs which serve to protect their social and cultural distinctiveness. In short, the continentalist argument "is that economic integration is in the interests of Canada as a

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[30]Kim Richard Nossal, "Pinchpenny Diplomacy: the decline of 'Good International Citizenship' in Canadian Foreign Policy" in International Journal 54(1) 1998-99: 98ff.

[31] G. P. de T. Glazebrook, A History of Canadian External Relations (Toronto: Oxford University Press, 1950), p. 191.

[32] Cf. Kevin Henley, "The international roots of economic nationalist ideology in Canada, 1846-1885" in Journal of Canadian Studies 24 Winter 1989/90: 107-121.

[33] Glen Williams, Not for Export: The International Competitiveness of Canadian Manufacturing, third edition (Toronto: McClelland and Stewart Ltd., 1994), p. 14-15; Statistics Canada, Cat. No. 15-546.

nation and should be actively pursued, and that economic integration with the United States will not have a negative impact on Canadian autonomy".[34] This idea is already inherent in Laurier's proposal for reciprocity with the United States. Reciprocity had been a sort of extended dream for Canadians since the abrogation of the Reciprocity Treaty in 1866.

3. Continentalism and sovereignty

Liberalism as conceived in Canada and embodied in Liberal party policy until 1984, has different connotations in the political and economic spheres. Political liberalism in Canada has sought to assert Canadian sovereignty by extricating the country from imperial domination. At the same time, Liberals objected to using the Canadian economy as a policy tool to promote Canadian unity. Instead, economic liberalism means supporting the North-South commerce which seemed more natural than the artificial economic nation-building policy. Still, it took 90 years for a Prime Minister to arrive who would make this official government policy. Far from being an ideologue, however, Diefenbaker's inspiration was a pragmatic response to Western alienation. In fact, his rationale mirrored Laurier's: a visit to the Western provinces revealed to Laurier the general dissatisfaction with the National Policy's tariff on trade with the United States and the stagnant economic situation it had created.[35] Unwittingly, Diefenbaker, therefore, fulfilled the second part of Laurier's scheme. In creating the Royal Canadian Navy, Laurier had added significantly to the foundations of political sovereignty initiated by Sir John A. Macdonald. Diefenbaker continued along that path, while effectively taking the first step towards realizing Laurier's economic visions for reciprocity with the United States.

Grant, however, does not believe that in the modern world, politics and economics can be kept distinct.[36] Greater continental integration is predicated on economic integration; greater economic dependence is an inherent threat to political independence. Canada is not an equal partner in this relationship with the United States. The benefits are bound to accrue with the stronger party who compels the other party to conform to its wishes, because the other party will be in no position to retaliate.

This argument partially gave rise to the Mulroney government's Free Trade Agreement of 1988. That pact established a trade regime with uniform and permanent rules. Mulroney believed this was an important step towards equalizing the trade relationship between the two countries. But critics contend that such a regime ties the hands of the Canadian government. It can no longer act either to protect Canadian businesses or to regulate the Canadian economy. This is especially important because the Canadian government has traditionally been called upon to play an activist role in the economy in order to accomplish important national objectives such as the development of an east-west system of transportation and communication, the alleviation of regional economic disparities, the promotion of Canadian-owned economic activity in key sectors of the economy, the conservation of Canada's natural resources, and the protection of

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[34] Nossal, p. 80.

[35] Sir John Willison, Sir Wilfrid Laurier (Toronto: Oxford University Press, 1927), p. 393

[36] Grant, Lament, chapter 5.

Canadian cultural industries.[37] Nonetheless, Canada has contended with the reality of such a trade regime for the past decade.

In the end, continentalists seem to have won the day. Obviously Canada's support for the North American Free Trade Agreement and the recent negotiations for a continental free trade zone including Latin and South America only serve to further fortify the continentalist position. Under his Prime Ministerial successors, Laurier's vision for reciprocity is becoming more concrete than he could have possibly imagined. Yet, reciprocity as well as the Naval Bill were not ends in themselves. They were the principal means he felt he had at his disposal for expanding Canadian sovereignty by extricating the Dominion from the Imperial sphere. Diefenbaker (and before him Laurier) applied the same logic to the West: while all of Canada could benefit from increased trade with the United States, those who had the most to gain were Westerners trying to secure greater independence vis-à-vis Central Canada. The soundness of this logic was confirmed in 1988: support for the Free Trade Agreement was highest in regions where the feeling of alienation from the federation was greatest: Alberta, British Columbia, and Quebec. The autonomy they were denied during efforts at political (constitutional) reform was compensated for by the economic autonomy they gained through the FTA. Both regions clearly perceived the FTA as a means to an end. For the West in particular, it was a matter of throwing off Ontario's imperial yoke.

4. Ends and means

The question is whether that intra-state dialectic between economic liberalism and political autonomy also functions at the inter-state level. The answer to this question is intrinsic to the latent political development that has paralleled the aforementioned economic continentalism.

Mackenzie King's isolationism, St. Laurent's nascent internationalism, Diefenbaker's rapprochement with Britain all testify to Canada's resistance to becoming drawn into the American sphere of political influence. That *indépendantisme* continued under Pearson as manifested in the pivotal role Canada assumed in passing UN Security Council resolution 242 which effectively brought the 1967 Arab-Israeli June war to a halt. Pearson was thus able to further advance the image of Canada as an emissary of peace he had begun to sketch out a decade earlier when he conceived his Nobel prize winning idea of a UN peacekeeping force.

So, despite the economic rapprochement with the United States, Borden's phobia of American annexation had not yet materialized. Instead, Canada built an international reputation as a middle power brokering collective security, a reputation it has sought to preserve by partaking in more peacekeeping missions than any other nation.[38] For decades Canada was the top contributor of Blue Helmets in the world and the undisputed leader in peacekeeping.[39] As a

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[37] Bruce Campbell, "Continental Corporate Economics" in Duncan Cameron and Mel Watkins, eds., Canada under Free Trade (Toronto: James Lorimer & Co., 1993); Ian Robinson, The NAFTA, Democracy and Economic Development: Continental Economic Integration as if Democracy mattered (Ottawa: Canadian Centre for Policy Alternatives, 1993).

[38] Andrew F. Cooper, Canadian Foreign Policy: Old Habits and New Directions (Scarborough: Prentice-Hall Canada, 1997), p. 173.

[39] Jocelyn Coulon, Soldiers of Diplomacy: The United Nations, Peacekeeping and the New World Order (Toronto: University of Toronto Press, 1998), p. x-xi.

matter of fact, Canada has thus far participated in every UN peacekeeping mission ever authorized by the Security Council.[40] With his anti-militarism, his rapprochement with Cuba, Russia and China, and the 1971 White Paper that no longer deemed the Unites States an indispensable partner, Trudeau distanced Canada even further from the Americans.[41] By 1980, however, he had started to repair Canada's political relationship with the United States.[42]

That process received a substantial boost subsequent to the election of Brian Mulroney who hard a better rapport with American President Ronald Reagan than Trudeau ever had. Yet, during his first mandate, Mulroney's foreign policy continued to have a multilateral focus. At least in part that multilateralism stemmed from the particularly good relationship Mulroney had with British Prime Minister Margaret Thatcher. Gradually, however, the emphasis shifted away from Europe and increasingly towards the United States. That shift was instigated by the FTA and sealed by the NAFTA: due to its size and its rapid development, Mexico came to play an increasingly important role in the North American market. As a result, Canadian foreign policy became overwhelmingly marked by regional preoccupations. Since the US and Mexico were committed to a free trade agreement, Canada had to join because there would be a strong incentive for firms to leave or by-pass Canada and locate in the US, the only country with unrestricted access to all three North American markets.[43]

Of course, the cataclysmic events in 1989 -- complemented by the implosion two years later of the Soviet political and military empire -- only encouraged that reorientation. The importance of NORAD as the most important bilateral defence institution between the US and Canada the Cold War had necessitated is in now decline. Joe Jockel and Joel Sokolsky contend that "NORAD places Canada in a unique position relative to other U.S. allies"[44] because NORAD effectively integrated a portion of the Canadian and American armed forces, for the first time placing Canadian troops under the permanent command of a US officer (NORAD's commander-in-chief).[45] After the multilateralism necessitated by 40 years of Cold War, the developments that were bound to have the greatest effect on Canada's future were no longer happening overseas but in its own hemisphere.

The subsequent reorientation in Canadian foreign policy has resulted in a hybrid. Its primary focus is continentalist in that it is bent on turning the North American free trade triangle into a North American free trade zone. Despite the objections by the critics, the multiplicity of member

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[40]In the past decade Canada's peacekeeping commitment has begun to decline. While members of the Canadian Forces have participated in every Security Council sanctioned mission, it is not unusual for less than 10 Canadians to be involved. Most recently Canada has dropped to 24th in ranking of 78 countries that contribute to peacekeeping endeavors.

[41] Department of National Defence, White Paper on Defence (Ottawa: Information Canada, 1971); Norman Z. Alcock et al. Defence in the 70s : comments on the white paper (Toronto: Canadian Institute of International Affairs, 1971) Behind the headlines ; v.030, no.007-008.

[42] Clarkson, 1985.

[43] Leonard Waverman, "The NAFTA Agreement: A Canadian Perspective" in Steven Globerman and Michael Walker eds., Assessing NAFTA: A Trinational Analysis

[44]Joseph T. Jockel and Joel J. Sokolsky, "The End of the Canada-US Defence Relationship", Occasional Paper Series, Number 53, Queen's Centre for International Relations, May 1996, p. 1.

[45] Edelgard E. Mahant and Graeme S. Mount, An Introduction to Canadian-American Relations (Scarborough: Nelson Canada, 1989), p. 200.

countries in a continental free trade zone would further diminish the disproportionate weight America has under the current triangular arrangement. At the same time, the secondary focus of Canadian foreign policy is multilateral. First, Canada may not be paying as much attention to Europe but as a result of rapid economic growth in Asia, Canada is paying ever more attention to the Pacific Rim states. Second, in spite of having meted out a 23 percent cut in the defence budget from 1993 to 1998, Canada has actually stepped up its international engagements in the contexts of the UN and NATO.[46] Although the number of peacekeeping missions has escalated considerably since the end of the Cold War,[47] Canada has thus far continued to participate in every single one. Those international interventions prop up the third pillar of Canada's foreign policy: national interest. As a proven leader in peacekeeping and as one of the few countries in a position to pay its own peacekeepers, Canada continues to garner international respect as a middle power.

So, Laurier's strategy seems to have worked. If "Canada's history is, to a large extent, the story of successive attempts to manage economic integration with the United States while maintaining some degree of independence,"[48] then Canada has thus far been able to assert its political independence in the face of economic continentalism. Canadian Forces manifesting Canadian independence by acting as UN peacekeepers have played a key role in realizing Canadian sovereignty. In that sense, Laurier was correct in identifying an independent Canadian military as a key component of the Dominion's aspiration for sovereignty. Once attained, those forces proved essential to preserving it. But the way it has used its military to assert its sovereignty has been quaint. Countries use their military to defend their strategic interests. That notion of defence usually has very physical connotations. Since the Korean War, however, that connotation has been largely symbolic in the Canadian case: counter-intuitively, it sends soldiers abroad not to fight but to keep, and more recently make, peace. As a result, Canada has been able to assert its independence in a somewhat different manner: by building a reputation as a peaceful mediator.

Canada has had to strike a delicate balance. On the one side of the equation is political independence, on the other side economic integration. That equation has become increasingly complex. Keeping the equation in balance was simple for Laurier: the Royal Canadian Navy would offset any losses in sovereignty incurred due to reciprocity. Gradually, the number of variables on each side has expanded. Since 1949, the Canadian Forces have operated within the contexts of both the UN and NATO -- as a symbolic force in the former, as an aggressive one in the latter. Through peacekeeping, Canada was able to tip that scale in favour of symbolic force

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[46]Peter McLaughin, "Funding Crunch Stealing Navy's Heart, Report Says," The Daily News 8 June 1999. Canada now ranks 133rd of 185 United Nations countries in defence spending as a share of gros domestic product.

[47]Between 1988 and 1994, the United Nations initiated twice as many peacekeeping missions than in the previous 43 years of its existence. Over 100,000 Blue Helmets are now involved in 28 trouble-spots. In 1988, by contrast, less than 10,000 personnel were serving in only eleven operations. Charles W. Kegley, Jr. "Thinking ethically about Peacemaking and Peacekeeping" in Tom Woodhouse, Robert Bruce, and Malcolm Dando, eds., Peacekeeping and Peacemaking: Towards effective intervention in post-Cold War Conflicts (Houndmills: Macmillan Press, 1998), p. 18.

[48] Laura MacDonald, "Going global: The Politics of Canada's foreign economic relations" in Wallace Clement ed., Understanding Canada: Building on the New Canadian Political Economy (Montreal and Kingston: McGill-Queen's University Press, 1997), p. 175.

which it could use to build repute as a middle power on the international stage. In light of the cuts recently sustained by the Canadian Forces coupled with the mushrooming number of UN missions, that symbolic commitment to the international community will be increasingly difficult to meet. It is true that Canada has also curtailed its commitment to NATO but since its international reputation was built on the contribution it has made through the UN and not on its contribution to NATO, its future commitment to peacekeeping will play a far greater role in determining Canada's place on the international scene than its floundering commitment to NATO.

On the other side of the equation, what used to be essentially a bilateral trade relationship with the United States -- in 2000, 86 percent of Canada's exports went to the US, and two-thirds of the investment flowing into Canada was American in origin -- is taking on an increasingly continentalist character. Latin and South American economies are growing rapidly, offering Canada the opportunity to reduce its economic dependence on the United States. At the same time, Canada is making substantial efforts at tapping into the rapidly growing Asian markets. That economic growth is fueled by mushrooming demographics in both regions.[49] Given stagnant population growth in the United States, their importance as an economic partner for Canada is thus bound to diminish relative to Asia and South America.

5. NMD and inter-operability

Just as economic and demographic growth are changing the economic side of the equation, the National Missile Defence project is changing the political side. How will it affect that side of the equation? And how will that change affect the balance of the equation? Canada has four options: loud collaboration with the Americans, quiet collaboration, loud rejection, or quiet rejection. Each choice will affect the equation differently.

There are good reasons supporting collaboration. Canada stands to gain economically from the project through American defence spin-off investments NMD will precipitate. Through these spin-offs, Canada also stands to gain scientifically through the knowledge produced as part of NMD research and development. Canada also stands to lose by not joining: Joe Jockel argues that if NMD actually materializes without Canada's participation, NORAD cannot survive.[50] Canada may thus end up without a comprehensive early warning system which would reduce Canadian sovereignty by rendering its territory more vulnerable to incursions as well as Canadian access to U.S. space projects and space-based assets.[51] Collaboration on NMD within the context or NORAD, however, would assure the Canadians some continued decision-making power and would thus merely update the NORAD arrangement.

By contrast, those arguing against NMD fear that it may politically alienate many of the countries that hold Canada in high esteem because of its peacekeeping reputation. As a result, Canada may experience greater difficulty gaining economic access to the rapidly growing Asian

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[49] Samuel Huntington, The Clash of Civilizations and the remaking of World Order (New York: Simon & Schuster, 1997), pp. 103-109.

[50] Joe Jockel "NMD and Canada-U.S. Relations."

[51] Keith B. Payne, "The Case for National Missile Defense" in Orbis (2)44, Spring 2000: 187-196; James Fergusson, "Canada and Ballistic Missile Defence: Issues, Implications, and Timelines," Non-proliferation, Arms Control and Disarmament Division, Department of Foreign Affairs and International Trade, Ottawa, 1998, p. 70.

markets, notably to China.[52] Due to the already high degree of economic integration and the relative inconsequence of defence issues in that bilateral relationship, Canada's economic relationship with the United States would likely change little.[53] In addition, NMD risks triggering an arms race from which Canada does not stand to gain much economically because Canada is not a major player in the international armaments industry.

It thus appears as if collaboration on the project would translate into short-term gain in the economics side of the equation with some losses on the political side. In this estimation, collaboration would tilt the equation in favour of greater continentalism and perhaps greater regionalism as Latin and South America would likely be indifferent to Canada's position on NMD. If Canada rejected collaboration, it could stand to register considerable gains on the economics side of the equation -- mostly in Asia. Politically, it could also stands to gain because rejection of NMD would underscore Canada's internationalism. Rationalized in those terms, collaboration with NMD would seem to produce sub-optimal results because it seems to destroy the delicate balance between economic liberalism and political sovereignty Laurier pursued.

6. The rest of the story

This is not the whole story though. In 1910, Canada had neither an air force nor a 50 year old security arrangement with the United States. Then as now, however, overseas operations were an issue. But the nature of these operations was quite different. The underlying objective behind the Royal Canadian Navy was to help protect an empire. It could be argued that the United States is equally bent on protecting its empire C with one crucial difference though: the British empire was territorial. By contrast, the United States only want Canada to help protect is allies. To fulfil this task, Canada need not participate in NMD. The Americans made this clear when they agreed to renew NORAD a year early in June 2000 without any mention of NMD.

The extraordinary anomaly in this relationship is that Canada is disproportionately favoured because the Canadians are directly involved in the defence of the United States. The British never granted the Canadians that privilege. They merely wanted Canada to put up money for a Royal Navy that would defend not Canada but the Empire. The Americans, by contrast, are not looking for a financial commitment from Canada.[54] So, the United States may be looking to defend their empire just like the British were but if that is really the American intent, they definitely do not act it. This claim is evidenced by the fact that unlike the British early in the twentieth century, the Americans are not asking for a financial commitment from Canada.

Ergo, Canada is not being pressured into NMD as it was into the Naval Bill. The Canadians are essentially free to make their own choice on the matter. In fact, Canada has effectively made its decision: inter-operability.[55] Canada may not be immediately interested in defence issues relating to NMD but it is interested in overseas intervention. Such intervention requires inter-

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[52] Cf. Frank Ching, "Scrap the national missile shield" in Far Eastern Economic Review (23) 163, 2 June 2000: 36; Zhou Wen, "Security of hegemon" in Beijing Review (22)43, 29 May 2000: 9-10.

[53] To be sure, that speculation flies in the face of Clarkson who made the exact opposite argument in 1968 (*op. cit.*).

[54] Joel J. Sokolsky, " The Bilateral Security Relationship: Will 'National" Missile Defense Involve Canada?" The American Review of Canadian Studies Summer 2000: 242.

[55] Shaping the Future of Canadian Defence: A Strategy for 2020 (Ottawa: Department National Defence, June 1999); Report on Plans and Priorities 2001-2002 (Ottawa: Department of National Defence: 2001), pp. 16-17.

operability with allied and especially American forces. As a matter of fact, Canada has attained an unprecedented degree of inter-operability with the American navy: it is the only country whose ships can fully integrate into an American battlegroup. As the Canadian participation in the Gulf War, East Timor, and the Balkans demonstrates, such inter-operability is essential to overseas intervention. In the case of the Balkans, Canada ended up bailing out the Europeans arguably for the third time during the twentieth century.

Canada's relationship with Europe has thus not been an easy one. And it may be becoming more complicated. Western European countries are becoming increasingly integrated into the European Union, through the European Council. Although the recent Kosovo conflict would make it appear that NATO and the EU are more than ever acting in concert, the reality of the situation is quite different. Many EU members states are keen on a wholly European alliance, one without the United States.[56] In December 1999, the European Council held a conference at Helsinki, where it was decided to establish a 60,000 member rapid reaction force made up of EU members.[57] It is only logical that another major step on the road to greater European unity and integration would be a European military alliance.[58] This would, of course, exclude both Canada and the United States.

Deciding to join NMD then could greatly affect Canadian sovereignty. If NATO continues as an alliance of North Atlantic countries, and the United States pushes NMD and Canada collaborates, Canada still has the benefit of other NATO partners to partially balance the United States' overwhelming military power and control of NATO. In the event that NATO transforms itself into a wholly European Alliance, with looser military links to the United States, the situation becomes much more serious for Canadian sovereignty. The situation of a Canada involved in NMD, but in a post-NATO world, where NATO is transformed into a European alliance would leave Canada at the mercy of the United States, with no European friends to balance American paranoia of *rogue states*.[59] A Canada-US military alliance unbalanced by Europe would be very similar to Trudeau's metaphor of the mouse and the elephant. A post-NATO Canada involved in NMD would invariably harm Canada's relations with the rest of the world: the veneer of the neutral peacekeeper might well be stripped off because of Canada's involvement in an alliance that would involve only the United States. If nothing else, European membership in NATO gives the appearance that the United States in not running the whole show, but rather that a collection of states with similar defence interests are co-operating. Remove the European component, add a Canada involved in NMD and it would appear that Canada's military affairs will revert to Imperial control, although American officials at the Pentagon -- and not British Officials in White Hall -- will be making the major decisions. Perhaps the European aversion to NMD is more strongly linked to a desire for undermining American influence over European military affairs than an opposition of a missile defence

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[56]G. Wyn Rees, Western European Union at a Crossroads: Between Trans-Atlantic Security and European Intigration, (Boulder: Westview Press, 1998), p. 163.
[57]Susan Bevan (ed), The Military Balance, 2000-2001, (Oxford: Oxford University Press, 2000), p. 54.
[58]Justin Breiner and Daniel Keohane, "Europe's Aversion to NMD," Strategic Review (Winter 2000), p. 47.
[59]Breiner and Keohane., p. 46.

programme. After all, defence experts acknowledge that "Europe faces a more immediate threat than the United States,"[60] in terms of the type of attack NMD would guard against.

As it stands, Canada is caught between a system it deems unworkable (NMD) and a need to stay in the defence game altogether (not wanting to end up shut out from both the European and the American undertakings).[61] Unlike 1911, the question today is not one of defending an empire. The United States is asking for something quite different in a very different context. One the one hand, defence is a petty item on the bilaterial agenda -- of far lesser importance than softwood lumber of potatoes, for instance. Still, it is a significant item. In Washington, defence is a means to more significant bilateral agenda items. As long as Washington deems Canada a serious player in defence policy, Canada will more readily be granted an ear on the Hill. On the other hand, Canada is already part of NORAD and the all-important Centre for Integral Warning and Attack Assessment. Joel Sokolsky observes

> The U.S. military wants to incorporate into NORAD's Integrated Tactical Warning/Attack Assessment proces 'the decision-authority' to use NMD. It only makes sense to link the systems that detect and asses missile attack with those that would launch interceptors. What this means is that Canadians could be at the very heart of the American 'national' missile defense system.[62]

Americans do not mind heavy Canadian involvement deep inside Cheyenne Mountain because it frees up American personnel for other duties.[63]

Continental defence, then, is not a primary objective of any of the three services. Instead, the Americans are interested in service-to-service co-operation: the US navy's prime mandate is power projection, the US army wants to go overseas with Canada and the US air force has never really been interested in defence in the first place. As Gregg Easterbrook surmises, America is the world's sole military power whose primary mission is not defence. Practically the entire U.S. military is an expeditionary force, designed not to guard borders — a duty that ties down most units of other militaries, including China's — but to project power elsewhere in the world."[64]

For their part, the Canadian interest in out-of-area operations with the United States is driven by its human security agenda. Just like peacekeeping, this agenda is a means of spreading Canadian values. Its implementation, however, is premised on inter-operability with the Americans.[65] Over the last decade, Canada has been colluding with the United States to play

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[60]David Gates, "Transatlaitic Perspspectives on Extended Integrated Air Defence," Comparative Strategy (Vol 18, No. 1, 1999), p. 79.

[61]Joe Jockel, "NMD and Canada-U.S. Relations" working paper; Michael K. Hawes, "Ballistic Missile Defence: Options for Canada" working paper.

[62]Joel J. Sokolsky, " The Bilateral Security Relationship: Will 'National" Missile Defense Involve Canada?" The American Review of Canadian Studies Summer 2000: 241.

[63]I asked a few people in the Canadian Air Force about this, and it would appear to no longer apply. When the RCAF used to second about 8 squadrons to the use of NORAD it was true, now we can hardly keep 4 sqns and a training school at an opperational level.

[64]Gregg Easterbrook, "Aprocryphal Now," The New Republic Online www.tnr.com/091100/easterbrook091100

[65]Joe Jockel and Joel J. Sokolsky, "Lloyd Axworthy's Legacy: Human security and the rescue of Canadian defence policy" International Journal Winter 2000-2001: 15.

global cop by invading non-conformist states with complete disregard for their sovereignty: Haiti, Bosnia, Somalia, East Timor. This requires inter-operability -- which entails a division of labour with the Americans providing intelligence and logistics and the Canadians supplying ground forces. Canada, then, is not part of an American empire. It is merely restructuring its forces to attain inter-operability with the United States. In that sense, the situation does not mirror 1911.

Still, there is an important parallel: like the British then, the United States today feels vulnerable precisely because it is active overseas. That vulnerability has necessitated the aforementioned division of labour: the United States can not afford politically to have any of its personnel killed. Canada, by contrast, is able to bare politically the human risk the Americans have been unable to take since their bitter experience in Somalia.

Based on this track-record, the United States has no real need or desire to protect its territory from assymetrical low-tech threats. It does, however, desire to protect its position as ideological, political, economic and cultural hegemon.[66] Such a policy invariably "feeds the urge to strike back."[67] That explains why the United States feels "obligated" to take on the role of globocop: In a fortnight in early 1996, Washington sent 20,000 US troops into Bosnia, was assembling forces for a possible renewed attack against Iraq, was "mediating a crisis on the brink of war between Greece and Turkey," and was "responding to Chin'a intimidation of Taiwan."[68] Clearly, the United States "is at the center of a world of its own making."[69] This activism explains the lack of a post-Cold War peace divided for the United States — with total expenditures exceeding US$265 billion, the United States spent more on defence in 1998 than the seven runners up combined, for a total of approximately one third of total world military expenditure and about 60% of total NATO military spending.[70] This spending is driven by overseas operations, not by territorial defence.

In the end, is there no difference between 1911 and today in that is Canada just posturing forces for another empire? While there are parallels, there are also importance nuances. Like the British, the United States feels vulnerable overseas and wants Canada's help in mitigating that vulnerability. Yet, it feels vulnerable because it is protecting *other* people from their own governments, not because it wants to protect its territory. And unlike 1911, Canada is now a sovereign country. The perennial question is how to best safeguard its sovereignty and independence in this evolving context.

Of course, the whole objective of the 1910 Naval Services Bill was precisely to reduce dependence. Would participation in NMD mark the return of imperialism, only with a different imperial power than in 1910?[71] Canada is faced with balancing its disinterest in NMD with its

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[66]Michael Mastunduno, "Preserving the Unipolar Moment: Realist Theories and U.S. Grand Strategy after the Cold War" International Security XXI Spring 1997: 51.

[67]Richard Betts, "The New Threat of Mass Destruction" Foreign affairs 77 January/February 1998: 28.

[68]Ibid: 88.

[69]John Ikenberry, "The Myth of Post-Cold War Chaos," Foreign Affairs 75 May/June 1996: 91.

[70]Table I: Defence Expenditure, 1998 — Top Twenty Countries, Department of National Defence, 2000; World Military Expenditures and Arms Transfers 1998, U.S. Department of State, Bureau of Verfication and Compliance.

[71]In many ways Canada has already subscribed to a new form of Imperialism with the United States as the Metropolitan Centre. This can be found in the example of the Kosovo war. Canada became involved because of its

desire to remain in the defence game. Arguably, ending up shut out from both the European and American defences would be even more detrimental to Canadian independence and sovereignty than striking a delicate balance between defence and trade with the aim of optimizing Canadian sovereignty.

Such is Laurier's precedent. He resisted stronger ties to the Empire, preferring instead to take from his Imperial connections what he needed in order to work towards his dream of Canadian harmony. Laurier had a special concern for "harmonizing the interests and sentiments of French and English Canadians."[72] As he learned throughout his political career, the unity of Canada hinges on avoiding those issues where French and the English Canadian views are in direct conflict.[73] Does NMD qualify as one of those potentially divisive issues?

7. Epilogue

Of course, Laurier lost the 1911 federal election. The Canadian electorate soundly rejected both reciprocity and the Naval Bill. Concomitantly, the Prime Minister who initiated the FTA and the NAFTA suffered a resounding defeat in the subsequent election. Based on those precedents, would a Prime Minister who decides to collaborate with NMD suffer the same fate?

By the time Laurier lost the election, the Naval Services Bill had long passed and the creation of the Royal Canadian Navy was well under way. Not for another three and a half decades would a Canadian come up with the counter-intuitive idea of using the Canadian Forces to make peace. George Grant traces the beginning of the end of Canadian sovereignty to roughly the same epoch.[74] He had no way for foreseeing the counter-veiling effect peacekeeping would have on the more integrationist economic policy on which the Diefenbaker government embarked. As Joe Jockel has argued, these peacekeeping duties are increasingly tied to Canada's human security agenda which in turn entails inter-operability. As far as NMD enhances inter-operability, therefore, it is beneficial to Canadian defence policy.

For three and a half decades, Canadian military power stood relatively unchecked by an economic counterweight. The historical context allowed Canada to make good use of that situation -- in a colonial world, Canada made use of its military forces to assert the Dominion's autonomy and sovereignty. In 1910, war was on the horizon. Canada had prepared to defend the Empire — with a token gesture -- and ended up bailing out Europe altogether. The current geopolitical situation is just as unpredictable. There seem to be two schools of thought. The

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relationship with NATO. No formal vote was taken in the House of Commons, no formal declaration of war was made, the Royal Prerogative in this realm was completely ignored. A mere ten years previously, on the advent of the Gulf War, Parliament was consulted, leaders of the --then-- three major parties were consulted and appraised of the situation. Not since the First World War had Canada be dragged into a conflict without Parliamentary debate or consent. This is a massive shift in Canadian policy, and one that has elicited little debate or concern. If one were to take only the state's prerogative to declare war, it would appear that Canada has reverted to a per 1914 (pre Resolution IX of the Imperial War Conference) status, the only difference being that the United States (in the form of NATO) and not Britain is making the major decisions. One has to ask when did we give up this form of sovereignty that is so essential for state existence?

[72] Cook, p. 402.

[73] Ibid., p. 404.

[74] Grant, Lament, chapter 2.

Fukuyama school of ideological homogeneity foresees a period of increased peace and stability.[75] The Huntington school of political realism predicts a period of increased conflict and volatility.[76] The Fukuyama thesis entails the sort of defence of a global civilization Canada and its allies have been engaged in thus far and of which peacekeeping and the human security agenda are just one manifestation. The Huntington thesis, by contrast, commits the observer to a defence of Western civilization. With the advent of the Bush Jr. administration, that paradigm seems to be shifting. In the end, how Canada responds is first and foremost a question of worldview whose underlying values will in turn inform the evolving dialectic between Canadian defence and economic policy.

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[75]Francis Fukuyama, The End of History and The Last Man (Toronto: Maxwell Macmillan Canada, 1992).
[76]Samuel P. Huntington, The Clash of Civilizations and the remarking of world order (New York: Simon and Schuster, 1996).

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NORAD: retombées courantes et perspectives d'avenir

par

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INTRODUCTION

Depuis la Deuxième Guerre mondiale, le Canada et les États-Unis ont réalisé l'importance d'une coopération militaire pour assurer la protection du territoire nord-américain. Après la fin de cette guerre, cette coopération s'est maintenue et s'est même intensifiée pour répondre aux exigences du système mondial bipolaire de la guerre froide. Dès 1958, le Canada et son voisin du sud signent l'Accord NORAD (*Commandement de la défense aérienne de l'Amérique du Nord*) qui intégrait le contrôle des forces aériennes canadiennes et américaines dans un commandement aérien de l'Amérique du Nord.

L'accord fut reconduit neuf fois depuis sa signature initiale en 1958 et le dernier renouvellement a été conclu le 16 juin 2000. Après avoir été modifié à plusieurs reprises afin de répondre aux changements technologiques et aux nouveaux défis, l'accord signé en 2000 demeure cependant identique à celui de 1996. À plusieurs reprises, des ministres et des hauts fonctionnaires canadiens ont affirmé que NORAD est un avantage pour notre pays. Comme l'indique M. David Collenette, ministre de la Défense nationale en 1996 : « **Depuis près de 40 ans, NORAD s'est avéré un moyen efficace sur le plan des coûts de protéger notre souveraineté et notre sécurité. Il nous permet non seulement de réagir aux menaces militaires éventuelles, mais aussi de combattre des activités non militaires, comme le narcotrafic.** »[1]

Par l'étude de l'intérêt et de l'historique de cette coopération binationale entre le Canada et les États-Unis, nous tenterons de ressortir et d'analyser les retombées courantes ainsi que les perspectives d'avenir que NORAD peut offrir au Canada. Que ce soit au niveau de l'efficacité ou au niveau des coûts pour notre pays, cet accord offre de nombreux avantages dignes d'être mentionnés. Cependant, pour continuer de profiter de NORAD, le gouvernement canadien doit prendre des mesures et réviser son implication et sa contribution au sein de cet accord bilatéral. Comment le Canada peut-il continuer de vouloir profiter de cet accord dans les années à venir sans s'impliquer davantage dans les activités et le financement de NORAD ? Selon la situation d'aujourd'hui, il semble qu'un effort dans notre contribution au niveau de la surveillance spatiale peut être une solution efficace pour augmenter l'implication du Canada.

Pour démontrer cela, il sera important, dans un premier temps, de connaître pourquoi et comment le Canada et les États-Unis collaborent dans la défense commune du territoire nord-américain. Deuxièmement, nous verrons ce qu'est NORAD et comment son rôle a évolué depuis sa création dans les années cinquante. Ensuite, nous pourrons être en mesure de comprendre pourquoi le gouvernement canadien continue sa coopération militaire avec les États-Unis dans le cadre de l'Accord NORAD et quelles sont les raisons qui justifient davantage d'engagements militaires en temps de paix.

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[1]Communiqué : Ministère des Affaires étrangères et du Commerce international, *Renouvellement de l'Accord de défense entre le Canada et les États-Unis*. No. 44, 25 mars 1996, p. 1.

Comme on peut le remarquer, depuis les quatre dernières années, divers documents officiels mentionnant l'Accord NORAD nous rappellent l'importance de cet accord pour le Canada. Entre autres, en mai 1998, lors du quarantième anniversaire de l'échange de notes diplomatiques qui établit officiellement le commandement de l'Accord NORAD, M. Lloyd Axworthy affirme que : « **L'accord conclu il y a 40 ans entre le Canada et les États-Unis sur la défense aérienne du continent nord-américain est aussi important aujourd'hui qu'il l'était à sa création.** »[2]

Ainsi, loin d'être remis en question, NORAD semble demeurer la pierre angulaire de la coopération en matière de défense entre notre pays et les États-Unis.

LA COOPÉRATION MILITAIRE CANADO-AMÉRICAINE

Le début de la coopération militaire entre le Canada et les États-Unis remonte à 1940. À cette époque, la menace d'une invasion japonaise ou allemande passant par l'Alaska ou par les Provinces maritimes oblige les deux États nord-américains à voir à la défense commune du continent.[3] Le 18 août de cette même année, le Premier ministre canadien Mackenzie King et le président américain Franklin Roosevelt créent la Commission mixte permanente canado-américaine de la défense (Permanent Joint Board on Defense). Cette commission issue de *l'Accord d'Ogdensburg* a comme but d'élaborer une coopération pour la défense de l'Amérique du Nord. Après la fin de la Deuxième Guerre mondiale, en 1945, les deux alliés nord-américains conviennent de maintenir leur alliance et leurs liens pour la défense commune du territoire.

Dès le début de la guerre froide, plus précisément en 1951 lorsque l'U.R.S.S. réussit à détonner sa première bombe atomique, la menace d'une attaque nucléaire sur le territoire de l'Amérique du Nord rapproche davantage les autorités militaires canadiennes et américaines. De 1951 à 1957, plusieurs lignes de radars destinées à intercepter d'éventuels bombardiers soviétiques volant vers le territoire nord-américain en passant par l'Arctique sont installées par le Canada et les États-Unis. Ces lignes sont : la ligne Pinetree, la ligne Mid-Canada et la ligne DEW (Distant Early System).[4]

Cependant, en 1957, lorsque les Soviétiques réussissent le lancement de Sputnick 1, premier objet artificiel à être mis en orbite, le Canada et les États-Unis réalisent que cette technologie de propulsion peut permettre le transport d'ogives nucléaires de façon beaucoup plus rapide ; c'est le début de l'ère des missiles balistiques intercontinentaux (I.C.B.M.). Avec cette nouvelle menace, les lignes de radars, qui ont été très coûteuses, deviennent quasi-désuètes. En effet, les radars qui peuvent nous prévenir d'une attaque de bombardiers soviétiques volant à 800 ou 1 000 km/h ne sont pas assez performants pour nous donner une alerte rapide de l'arrivée de

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[2]Communiqué : Ministère des Affaires étrangères et du Commerce international, *Le Canada félicite NORAD à l'occasion de son 40e anniversaire.* No. 119, 12 mai 1998, p. 1.
[3]*NORAD at 40 : Historical Overview.* Sur le site Web de NORAD : www.spacecom.af.mil/norad/maschron.htm, 1998, p. 1.
[4]André Donneur, *Politique étrangère canadienne.* Guérin Universitaire, Montréal, 1994, p. 84.

missiles qui voyagent à plusieurs fois cette vitesse.[5] Donc, à cette époque, il faut réorganiser la façon de protéger le territoire nord-américain.

Ainsi, la même année, le ministre canadien de la Défense nationale et le secrétaire américain de la Défense annoncent qu'ils sont d'accord pour un commandement intégral des forces aériennes des deux pays. Dès le 12 septembre 1957, *Le Commandement de la défense aérienne de l'Amérique du Nord* (NORAD) est créé. Le quartier général de NORAD est établit à Ent Air Force Base, au Colorado.[6] Cependant, ce n'est que quelques mois plus tard, soit le 12 mai 1958, que l'accord est officialisé par un échange de Notes diplomatiques entre le Canada et les États-Unis.[7]

NORAD : SON ÉVOLUTION

NORAD est une organisation militaire binationale créée pour surveiller et défendre l'espace aérien de l'Amérique du Nord. Il dépiste tous les objets artificiels dans l'espace et donne l'alerte en cas d'attaque. Le quartier général de NORAD est transféré à l'intérieur de la montagne Cheyenne à Colorado Spring (Colorado) dans les années soixante (un lieu apparemment invulnérable aux attaques nucléaires). L'organisation de NORAD comporte trois grandes régions : le territoire continental des États-Unis, le Canada et l'Alaska.

Au Canada, les informations recueillies par la région canadienne sont transmises au complexe sous-terrain des forces royales canadiennes à North Bay (Ontario). Elles sont ensuite acheminées au quartier général de la région canadienne de NORAD à Winnipeg. Ensuite, si nécessaire, les données sont transmises au centre de commandement de Colorado Spring.

Comme stipulé dans l'entente initiale de 1958, le commandant en chef (CINCNORAD)[8] est américain mais est assisté d'un commandant adjoint canadien. En pratique, la décision finale appartient au président des États-Unis en cas de mobilisation des forces de NORAD.[9] Comme les États-Unis forment la majorité des forces de NORAD et en assurent 90% du coût des opérations,[10] on peut comprendre le pouvoir important de leur président sur l'organisation binationale.

Depuis plus de quarante ans, la mission de NORAD a évolué avec les besoins de l'époque. Signé officiellement en 1958, l'accord est renouvelé neuf fois depuis, voilà qui démontre déjà

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[5]A. S. Evans et L. A. Diachun, *Le Canada : Une histoire contemporaine.* McGraw-Hill, Éditeurs, Montréal, 1978, p. 267.
[6]*NORAD Selected Chronology*. Sur le site Web de NORAD : www.spacecom.af.mil/norad/maschron.htm, 1998, p. 2.
[7]*Ibid.* p. 2.
[8](CINCNORAD) Sigle signifiant *Commander in Chief, NORAD.*
[9]A. S. Evans et L. A. Diachun, *Le Canada : Une histoire contemporaine.* McGraw-Hill, Éditeurs, Montréal, 1978, p. 267.
[10]*Ibid.* p. 267.

l'importance de ce programme pour le gouvernement canadien et américain. Lors de l'accord initial de mai 1958, les deux États indiquent que celui-ci sera en vigueur pour une durée de 10 ans. Cette première période est sans doute la plus mouvementée due aux tensions engendrées par la guerre froide : crise de Berlin, crise de Cuba, etc. En 1968, lors du renouvellement de l'Accord du NORAD, trois importants changements sont apportés : l'accord est effectif pour une période de cinq ans, un des deux signataires peut quitter NORAD moyennant un avis d'une année, et le Canada ne s'engage pas à participer à un programme actif de défense antimissile.[11] Cinq années plus tard, soit en 1973, l'accord est à nouveau renouvelé, mais seulement que pour une période de deux ans. On peut expliquer ce relâchement par un contexte mondial moins tendu que dans les années soixante. Cependant, en 1975, l'accord est encore signé pour une période de cinq ans. Depuis cette date, l'Accord du NORAD est renouvelé à chaque quinquennat.

Deux changements importants sont apportés à l'Accord lors de ses renouvellements de 1981 et de 1991. En 1981, le terme "aérienne" de *L'Accord pour la défense aérienne de l'Amérique du Nord* est remplacé par le terme "aérospatiale". De cette façon, les autorités militaires canadiennes et américaines reconnaissent l'importance de la surveillance de l'espace pour contrer toute attaque éventuelle contre l'Amérique du Nord. En 1989, les États-Unis proposent de profiter des installations de NORAD pour tenter d'empêcher toute importation de narcotiques en Amérique du Nord par voie aérienne. Cette proposition est approuvée par les autorités canadiennes et est ainsi inclue dans l'Accord NORAD signé en 1991.[12]

Lors de la reconduction de NORAD en 1996, officialisée par l'échange de Notes diplomatiques entre le ministre Lloyd Axworthy et le secrétaire d'État des États-Unis Warren Christopher, les deux pays conviennent que les missions futures de NORAD doivent viser à assurer l'alerte aérospatiale et le contrôle aérospatial pour l'Amérique du Nord. Par « alerte aérospatiale », les deux alliés entendent, en général : « surveiller les objets artificiels dans l'espace et à détecter toute attaque contre l'Amérique du Nord .» Pour ce qui est du « contrôle aérospatial », c'est : « surveiller les espaces aériens du Canada et des États-Unis.»[13]

Ainsi, dans le communiqué du ministère des Affaires étrangères et du Commerce international qui annonce le renouvellement de l'Accord NORAD en mars 1996, M. Lloyd Axworthy affirme que : « **L'accord de 1996 reflétera plus fidèlement le contexte stratégique de l'après-guerre froide et répondra encore mieux aux besoins actuels et prévus du Canada en matière de sécurité.** »[14]

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[11] *NORAD Selected Chronology*. Sur le site Web de NORAD : www.spacecom.af.mil/norad/maschron.htm, 1998, p. 5.

[12] *Canadian NORAD Forces Fact Sheet*. Sur le site Web de NORAD : www.spacecom.af.mil/norad/cforces.htm, mai 1996, p.2.

[13] *Échange de Notes entre le gouvernement du Canada et le gouvernement des États-Unis d'Amérique constituant un Accord prolongeant l'Accord du NORAD pour une autre période de cinq ans*. 28 mars 1996, Canada, Recueil des traités 1996/36, p. 5.

[14] Communiqué : Ministère des Affaires étrangères et du Commerce international, *Renouvellement de l'Accord de défense entre le Canada et les États-Unis*. No. 44, 25 mars 1996, Ottawa, p. 1.

Comme indiqué dans l'accord de 1996, celui-ci reste en vigueur pour une période de cinq ans. Toutefois, le 23 mars 2000, soit quatre ans après l'accord de 1996, le Comité permanent de la Défense nationale et des anciens combattants discute déjà, avec le ministre de la Défense national Arthur C. Eggleton et le ministre des Affaires étrangères Lloyd Axworthy, de la reconduction de l'Accord du NORAD pour une autre période de cinq ans après l'expiration de l'accord actuel le 12 mai 2001. À première vue, il est prématuré de discuter de ceci si tôt. Cependant, comme l'avance ce comité, le déroulement des élections américaines, qui est une période à la fois intense, longue et turbulente, culminera au moment où les négociations portant sur le renouvellement de l'accord devront être abordées.[15] Ainsi, il est plus prudent de discuter de cette question à cette date. Également, le Canada désire que l'Accord est reconduit sans changement pour lui permettre de mieux mesurer sa réponse si les États-Unis demandent d'utiliser NORAD comme base opérationnelle pour leur éventuel système antimissile (NMD : *National Missile Defense*).

Donc, le 16 juin 2000, le ministre Lloyd Axworthy et le secrétaire d'État Madeleine Albright signent à Washington une autre extension, sans changement, de l'Accord NORAD pour une période de cinq ans après sa date d'expiration, soit le 12 mai 2001.

LE CANADA AU SEIN DE NORAD

Le Canada a sans aucun doute profité des avantages offerts par la coopération militaire avec les États-Unis. Depuis septembre 1957, NORAD protège tous les citoyens du Canada (et des États-Unis) et sa capacité d'alerte lui permet d'exercer un effet dissuasif certain sur tout agresseur potentiel.[16] Le Gouvernement canadien accorde une grande importance à la défense de l'Amérique du Nord, depuis Diefenbaker jusqu'à Chrétien, l'Accord du NORAD est constamment renouvelé et publiquement valorisé. Malgré le fait que le gouvernement Dienfenbaker détériore les rapports avec les États-Unis (en partie parce que le Gouvernement canadien n'est pas consulté à temps au moment de la mobilisation des forces de NORAD lors de la crise des missiles de Cuba en octobre 1962)[17], la coopération militaire ne cesse pourtant pas de s'accentuer depuis : abandon de l'avion *Arrow* au profit d'un modèle américain en 1959, installation d'ogives nucléaires sur les fusées *Bomarc* autorisé par le gouvernement Pearson en 1963, tests de missiles américains de croisière au Canada en 1982, etc.

Cependant, NORAD est sans doute le meilleur exemple de l'étroite collaboration militaire entre le Canada et les États-Unis. Les livres blancs sur la défense de 1987 et de 1994 démontrent bien l'importance de NORAD pour la défense du territoire canadien. Comme celui de 1987 l'indique : « **Face à la menace d'une attaque nucléaire soviétique contre l'Amérique du Nord, la participation à la dissuasion dans le cadre de NORAD est le seul moyen**

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[15]Comité permanent de la Défense nationale et des anciens combattants. *Procès-verbal de la séance*, 23 mars 2000, no. 1528, p. 4.
[16]Communiqué : Cabinet du ministre de la Défense nationale, *NORAD*. G - 00.010, 23 mars 2000, p. 1.
[17]André Donneur, *Politique étrangère canadienne*. Guérin Universitaire, Montréal, 1994, p. 84.

efficace. »[18] Dans le livre blanc de 1994, après la dissolution de l'U.R.S.S. et la fin de la guerre froide, le Canada continue d'affirmer que la participation au programme NORAD est un avantage pour la sécurité canadienne : « **La coopération canado-américaine en matière de défense continue fort bien de servir nos intérêts fondamentaux.** »[19] Et : « **Le Canada souhaite continuer de bénéficier des avantages que procure cette longue collaboration en matière de défense aérospatiale.** »[20]

À quelques reprises, le gouvernement canadien demande l'opinion de la population canadienne par l'entremise de consultations ou de comités avant d'entreprendre le renouvellement de l'Accord NORAD. Entre autres en 1981[21] et en 1994 (concernant le renouvellement de 1996)[22]. On peut ainsi voir que les Canadiens croient aux bienfaits d'une coopération avec les États-Unis dans le domaine militaire. Toutefois, malgré l'acceptation de NORAD dans les priorités de défense du Canada, le gouvernement canadien ne semble pas prêt à contribuer davantage de deniers publics à celui-ci. En général, le budget de la Défense nationale est considérablement réduit depuis la dernière décennie. En 1993, son budget est de 12 milliards de dollars tandis qu'en 1998, il n'est que d'un peu plus de 10 milliards.[23]

Sur ce, le Comité permanent de la Défense nationale et des anciens combattants reconnaît en novembre 1999 l'apport de NORAD (et de l'OTAN) dans la protection du territoire canadien. Le Comité, voyant qu'un relâchement excessif des subventions accordées à la défense nationale complique le maintien de ces programmes importants, déclare que : « **Comme le livre blanc de 1994 appelle les forces canadiennes à jouer un rôle vital dans la protection de la souveraineté canadienne (...) par l'entremise de l'OTAN et de NORAD (...) il est résolu que le Comité demande au gouvernement du Canada de lancer un programme (...) qui devrait accroître considérablement le budget du ministère de la Défense nationale en pourcentage au PIB.** »[24]

RETOMBÉES POUR LE CANADA

Le Canada a de nombreuses raisons d'être fier de la relation privilégiée qu'il entretient avec les États-Unis dans le cadre de NORAD. Premièrement, cet accord nous permet de contribuer à la

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[18] *Ibid.* p. 84.
[19] Défense Nationale, *Livre blanc sur la défense de 1994.* Groupe Communication Canada, Édition, Ottawa, 1994, p. 21.
[20] *Ibid.* p. 24.
[21] *NORAD Selected Chronology.* Sur le site Web de NORAD : www.spacecom.af.mil/norad/maschron.htm, 1998, p. 9.
[22] Système d'information du ministère des Affaires étrangère et du Commerce international. *Réponse au gouvernement aux recommandations du Comité parlementaire spécial chargé de l'examen de la politique étrangère du Canada.* Ottawa, 1995, p. 16.
[23] National Defence. *Making a Difference at Home and Abroad.* Director General Public Affair, p. 11.
[24] Comité permanent de la Défense nationale et des anciens combattants. *Procès-verbal de la séance,* jeudi 25 novembre 1999, no. 8, p. 3.

sécurité de l'Amérique du Nord et ce, à de bien moindres frais et avec plus d'efficacité que si nous avions été tout seuls.[25] Étant donné l'immensité du territoire canadien, NORAD permet au Canada de garantir sa souveraineté et d'assurer la surveillance et le contrôle de son espace aérien. Grâce à cet accord, le gouvernement est davantage assuré que sa volonté est respectée dans toutes les sphères de compétence canadienne en lui donnant la possibilité de suivre et de contrôler les développements dans son espace aérien.[26] Également, les opérations, activités et programmes de recherche et de technologie de NORAD fournissent au Canada une importante porte d'accès au secteur aérospatial tout en lui permettant de renforcer ses capacités dans divers domaines comme la communication, la surveillance, la cartographie et même la météorologie.[27]

NORAD, grâce à ses nombreux radars, peut détecter le lancement de missiles n'importe où dans le monde et nous permet de repérer tout objets artificiels dans l'espace. Comme une myriade de débris spatiaux menace constamment l'orbite de satellites commerciaux, scientifiques et militaires ainsi que les navettes spatiales, il est important de connaître leur trajectoire.

Également, depuis 1991, NORAD aide à détecter et à surveiller les aéronefs soupçonnés de participer au trafic de drogues illégales. La Région canadienne de NORAD surveille ceux-ci lorsqu'ils s'approchent de notre littoral et ils sont ensuite inspectés par la GRC et Douanes Canada.[28] Cette technologie est pareillement utilisée pour détecter toute importation d'immigrants illégaux dans notre territoire.

Notre complicité avec les États-Unis dans le cadre de NORAD permet aussi au Canada « d'interopérer » avec les forces américaines. Nos liens de communication avec les Américains au niveau militaire sont de grands avantages pour notre armée. De plus, sans les informations sur l'espace disponibles par notre alliance dans le cadre de NORAD, les efforts de modernisation des forces canadiennes seraient directement touchés.[29]

Il est important de rappeler que nous n'assumons que 10 % des frais de fonctionnement, soit environ 320 millions de dollars tandis que les États-Unis déboursent presque 3 milliards de dollars annuellement.[30] Étant donné que le Canada gagne beaucoup de cette coopération militaire, nous pouvons avancer que 320 millions de dollars est une aubaine pour notre pays.

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[25]*Le Canada dans le monde.* Énoncé du Gouvernement. 1995, p. 33.
[26]Comité permanent de la Défense nationale et des anciens combattants. *Procès-verbal de la séance,* 23 mars 2000, no. 1528, p. 3.
[27]Communiqué : Ministère des Affaires étrangères et du Commerce international, *Le Canada félicite NORAD à l'occasion de son 40e anniversaire.* No. 119, 12 mai 1998, p. 2.
[28]Communiqué : Cabinet du ministre de la Défense nationale, *NORAD.* G - 00.010, 23 mars 2000, p. 3.
[29]Comité permanent de la Défense nationale et des anciens combattants. *Procès-verbal de la séance,* 23 mars 2000, no. 1528, p. 9.
[30]*Ibid.* p. 8.

PERSPECTIVES D'AVENIR

Il est certain que, sur le plan qualité-prix, le Canada profite davantage de l'Accord NORAD que les États-Unis. Dans les années cinquante, la situation géographique du Canada jouait un très grand rôle dans le développement de la sécurité américaine car des attaques menées par l'Union soviétique pouvaient passer par l'Arctique et le Canada pour atteindre le territoire américain. Ainsi, le Canada pouvait profiter de son emplacement stratégique pour la sécurité américaine pour assurer sa propre sécurité par le biais d'ententes bilatérales. De nos jours, malgré l'évolution de la situation mondiale, NORAD est encore très profitable aux deux alliés. Cependant, si le Canada veut continuer de jouir des avantages liés à cet accord, il doit maintenir son engagement et s'assurer de mériter sa participation.

L'évolution de la technologie en matière de surveillance par satellites risque de rendre le territoire canadien de moins en moins important pour la sécurité des États-Unis. De plus, l'intention du gouvernement américain de déployer un système antimissile « aussi vite que technologiquement possible [31] (*National Missile Defense Act*) pousse le Canada à prendre une décision sur une éventuelle participation à ce programme. Pour l'instant, les États-Unis n'ont pas encore officiellement invité le Canada à participer au *National Missile Defense* (NMD)[32] mais leur désir d'intégrer ceci dans NORAD exige que le Canada prenne position sur ce sujet. Comme le Canada est soucieux des coûts élevés liés à un tel système et qu'il a des craintes que l'installation du NMD va à l'encontre du traité ABM de 1972,[33] il préfère encore ne pas se prononcer officiellement sur sa participation ou non-participation.

L'idée d'établir la base opérationnelle du NMD au sein du commandement de NORAD est également partagée par des Canadiens. Comme l'indique le lieutenant-général George McDonald, commandant adjoint du Commandement de NORAD, si un système NMD est mis en place, il doit être intégré à la mission de NORAD puisqu'il est un prolongement logique de sa mission actuelle d'avertissement en cas d'attaque de missiles balistiques. Ainsi, ce rôle serait parallèle à son rôle actuel de défense aérienne. Cependant, celui-ci ajoute : « **Il** (le Canada) **pourrait lui paraître préférable d'envisager d'autres options comme la possibilité de contribuer donnant donnant à l'alliance (...) par exemple, il pourrait accroître sa contribution à la surveillance des objets manufacturés égarés dans l'espace, ce qui relève traditionnellement de la responsabilité de NORAD.** [34]

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[31]George McDonald (Lieutenant-général). *NORAD et le NMD : Le point de vue du commandant adjoint*. Dans Revue militaire canadienne. Vol 1, no. 2, été 2000, p. 7.

[32]Comité permanent de la Défense nationale et des Anciens combattants. 23 mars 2000, no. 1528, p. 10.

[33]Signé en 1972 et ayant comme principaux cosignataires les États-Unis et l'URSS, le Traité sur la limitation des systèmes de missiles antimissile (ABM : *Anti-Ballistic Missile Treaty*) constitue un engagement de réduire la capacité de production de tels missiles. Ce traité interdit explicitement de se doter d'un système défensif antimissile qui couvrirait l'entièreté du territoire d'un signataire.

[34]George McDonald (Lieutenant-général). *NORAD et le NMD : Le point de vue du commandant adjoint*. Dans Revue militaire canadienne. Vol 1, no. 2, été 2000, p. 11.

Selon les chiffres disponibles sur le site Web de l'*United States Space Command,* environ 8 837 objets artificiels (satellites et débris) sont présentement en orbite autour de la terre.[35] Développer de meilleurs outils pour déterminer leur trajectoire semble donc être très important. Ainsi, grâce à cette technologie, NORAD pourrait identifier les objets ou satellites qui constituent une menace contre l'Amérique du Nord ou contre les intérêts de ses habitants. Cependant, si la surveillance de l'espace devient de plus en plus un enjeu, celle faite à partir de l'espace semble encore plus prometteuse.

Comme il est évident que la surveillance aérospatiale va se faire davantage par des satellites et non plus par des radars cloués au sol, le Canada ne peut plus considérer son territoire comme absolument essentiel à la sécurité des Américains. Comme cette situation risque de diminuer l'importance du Canada dans d'éventuelles négociations portant sur la défense du continent, notre pays a intérêt à apporter d'autres contributions dans le cadre de cet accord.

Si nous ne participons pas plus dans la sécurité de l'Amérique du Nord dans le cadre du NMD, il est possible que le Canada soit mis de côté par les États-Unis lors de l'organisation de la défense de leur territoire. De plus, pouvons-nous nous permettre d'assurer nous-même la sécurité de notre territoire en cas d'attaques par un missile balistique ? Ceci ne se ferait sûrement pas sans dépenser des sommes faramineuses. Il est certain que les Américains ne feront pas pour nous ce que nous ne voulons pas faire pour nous-même. Ainsi, si nous voulons jouir de la sécurité et des avantages de NORAD, nous devons assumer notre part de responsabilités et contribuer à la protection du territoire et des intérêts nord-américains.

Investir dans la technologie spatiale et les satellites d'observation semble être une solution avantageuse pour le Canada. En contribuant encore plus au développement et au financement des satellites d'observation, qui, de toute façon, seront sans doute de plus en plus utilisés par les États-Unis avec ou sans le Canada, nous démontrons notre intérêt envers la défense de l'Amérique du Nord. Par cela, nous nous assurons de profiter de cette technologie et des nombreux avantages que nous retirons de notre coopération avec les États-Unis dans le cadre de NORAD.

De plus, cette technologie pourrait également servir aux milieux civil et commercial. Comme l'utilisation de satellites pourrait être partagée avec ceux-ci, ils pourraient donc être considérés comme des partenaires dans la conception, le développement et le financement de ces satellites. L'expertise et les ressources du secteur privé ne sont pas négligeables et pourraient améliorer l'efficacité et l'efficience de cette nouvelle technologie. Toutefois, comme nous discutons de satellites ayant des fins militaires comme fonction première, toute participation et utilisation par les milieux civil et commercial devront être strictement réglementée et contrôlée.

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[35]Sattelite Boxscore. Sur le site Web de United States Space Command : http://www.peterson.af.mil/usspace/boxscore.htm, Juin 2000, p. 1.

Depuis quelques années, l'observation faite à partir de l'espace est déjà dans les priorités établies par le Commandement de NORAD. Dans son document *NORAD Vision 2010... and Beyond* , celui-ci indique : « **Space is key to NORAD providing a credible defensive shield over North America. Space-based assets have many advantages over conventional surveillance and communication systems, (...). Space systems will permit precision tracking of hostile air and space vehicles (...).**»[36] Comme il indéniable que le futur de l'observation et de la surveillance militaire réside dans la technologie spatiale, le Canada peut et doit investir dans cette technologie. Une mauvaise décision dans ce domaine pourrait avoir des répercussions sur notre coopération militaire avec les États-Unis.

CONCLUSION

Depuis plus de 40 ans, en s'adaptant à la situation mondiale, NORAD protège la sécurité et la souveraineté du territoire nord-américain. Le Canada a énormément profité de cette coopération militaire avec les États-Unis. Que ce soit sur le plan de l'efficacité ou sur le plan des coûts, le Canada peut être fier de cet engagement. Le ministère des Affaires étrangères et du Commerce international et le Comité permanent de la Défense nationale et des anciens combattants reconnaissent ce fait. Le ministère de la Défense nationale affirme cette même opinion dans un communiqué émis le 23 mars 2000 : « **NORAD s'est révélé efficace pour assurer la surveillance, donner l'alerte et répliquer en cas d'attaque. En s'adaptant aux nouvelles réalités mondiales, NORAD continuera de jouer un rôle important dans la défense du Canada et des États-Unis**. »[37]

Nous vivons dans une situation mondiale moins prévisible que pendant la guerre froide. Malgré le fait qu'une attaque par un missile balistique venant de la Russie semble peu probable, plusieurs autres menaces nous obligent à demeurer vigilant. Avec la prolifération des armes de destruction massive et la relative facilité de construire des missiles balistiques, plusieurs nations ou groupes terroristes peuvent s'avérer un danger indéniable. Nous pouvons constater que la défense du territoire et des citoyens canadiens est encore très importante malgré la situation mondiale actuelle, et que pour cela, NORAD est un atout pour le Canada.

Cependant, si nous voulons conserver cette coopération avec les États-Unis et continuer de profiter de ses importantes retombées, nous devons assumer notre part de responsabilités. Si ce n'est pas par une participation directe au système NMD dans le cadre de NORAD, il semble qu'une plus grande participation au niveau de la recherche scientifique spatiale, plus particulièrement dans la technologie de surveillance de l'espace et de celle à partir de l'espace, serait un moyen de maintenir notre importance et notre influence au sein de cet accord. Avec l'avancement de la technologie, les Américains, grâce à des satellites, auront de moins en moins

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[36]*North American Air and Space Defense for 2010 and Beyond*. Dans : NORAD Vision 2010 Y and Beyond. Sur le site Web de NORAD : http://www.spacecom.af.mil/norad/norvisbk.htm

[37]Communiqué : Cabinet du ministre de la Défense nationale, *NORAD*. G - 00.010, 23 mars 2000, p. 4.

besoin de notre territoire pour assurer leur défense. Si nous refusons de participer davantage à la protection de l'Amérique du Nord, pourquoi les Américains feraient-ils tout le travail pour nous?

NORAD est beaucoup plus qu'un système de sécurité et de contrôle, comme l'indique Steven Candy, du bureau des Affaires canadiennes du Département d'État des États-Unis: «**NORAD Agreement represents a long tradition of friendship and cooperation between Canada and the U.S. Our shared values and interests have made the two nations friends, allies, and true partners in the defense of North America** »[38] De plus, en 1998, M. Lloyd Axworthy avance que : « **NORAD s'est adapté à un monde en pleine mutation et continuera de jouer un rôle de premier plan dans la défense et la sécurité de l'Amérique du Nord**. »[39]

Il est incontestable qu'avec le financement de la Défense nationale qui diminue (au Canada comme dans d'autres pays membres de l'OTAN), une augmentation substantielle des ressources allouées à NORAD semble être peu probable. Pour changer cela, une meilleure sensibilisation du public et des élus semble être la seule solution. Cependant, comment, sans paraître paranoïaque, sensibiliser les Canadiens à l'existence d'une menace « potentielle » qui justifie de plus grandes dépenses militaires en temps de paix?

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[38]Communiqué : North Americain Aerospace Defense Command. *Canada and U.S. extend NORAD Agreement*. 06-00, 21 juin 2000, p. 2.
[39]Communiqué : Ministère des Affaires étrangères et du Commerce international, *Le Canada félicite NORAD à l'occasion de son 40e anniversaire*. No. 119, 12 mai 1998, p. 1.

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Canada – U.S. Relations and the Al-Aqsa *Intifada*

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On 28 September 2000 Ariel Sharon, then leader of Israel's opposition Likud party and now Israel's Prime Minister, entered the grounds of the Al-Aqsa Mosque in Occupied East Jerusalem. The next day Israeli forces killed seven Palestinians and wounded another 220. This was the beginning of the Al-Aqsa *intifada* – the nine month spiral of destruction and death ravaging Israel/Palestine.

The Al-Aqsa uprising has claimed more than 500 lives, the overwhelming majority being Palestinian. It has also resulted in regional and international instability. This raises two questions of particular salience to Canadian foreign policy: how would a change in Canadian foreign policy toward Israel/Palestine affect Canada - U.S. relations specifically, and what would such a change mean for future Canadian relations with other international actors generally?

My thesis is that a change in Canadian foreign policy intended to engender stability in Israel/Palestine would not adversely affect Canada – U.S. relations. More specifically, a Canadian policy that attempted to actualize the doctrine of human security in Israel/Palestine by encouraging greater international involvement in a post-Oslo Middle East peace process would not estrange the U.S. in the medium to long term. Such diplomacy would also bring Canadian foreign policy into closer symmetry with the shifting policies of the European Union (EU) and Russia.

I develop this argument in four stages. First, I review Canada's role as norm entrepreneur in the international system. Building on the work of Finnemore and Sikkink, I explore Canada's role as entrepreneur for the norm of human security. Second, I establish the orientation of Canadian policy in the UN Security Council between September and December 2000. Specifically, I explore Canadian policy toward Security Council resolution 1322 and Security Council draft resolution 1171 and determine that Canada has inconsistently operationalized the human security doctrine in Israel/Palestine. Third, I examine American policy on the same two Security Council resolutions. This examination reveals that U.S. pressure is responsible for Canada's inconsistent advocacy of the human security norm. Fourth, I offer policy options for the Canadian government that would enable it to make more robust the norm of human security in Israel/Palestine while not damaging relations with the U.S. Phrased differently, I suggest policies that would make Canada's norm entrepreneurship more consistent without alienating the U.S.

Canada – Human Security's Entrepreneur

The idea of state interests has remained largely unproblematized in international relations theorization. Rather than interrogate the concept of state interests, realism and liberalism assume the interests. These rationalist approaches posit interests prior to any preferences that may be held by the state actor. Alternately, social constructivist thought problematizes the idea of state interests. According to this model, interests are not given or waiting to be discovered by state actors. Instead, interests are "constructed through social interaction." (Finnemore 1996:2) This interaction occurs in a context built on norms.

Norms are "shared expectations about appropriate behaviour held by a community of actors." (1996:22) Norms are generally divided into 3 categories: regulative, constitutive and prescriptive. Regulative norms "order and constrain the behaviour of actors." (Finnemore and Sikkink 1998:891) Constitutive norms "create new actors, interests or categories of action." (1998:891) Prescriptive norms "involve a quality of oughtness"(1998:891) as well as an

evaluative dimension (1998:891) that enables actors to judge the appropriateness of others' actions.

Norms only ever guide foreign policy. Rather than being determinant in the last instance, norms structure permissive conditions for foreign policy actions (Bjorkdahl and McMahon 2001:4). This structure of appropriate behaviour, this framework in which state interests are identified, defined and redefined, is not inviolate. Not even the strongest norm is able to determine policy outcomes in every instance (Bjorkdahl and McMahon 2001:6).

Norms exist in the international system; there are established standards of behaviour. The Geneva Conventions and the Universal Declaration of Human Rights represent codified norms of acceptable or condemnable conduct. Like state interests, however, norms are not given. Similarly, norms are not static. The constructed and malleable nature of norms prompts two interrelated questions: Who builds norms and how are norms changed? To collapse this question, one might ask: Where do norms come from?

The normative context is a highly contested space. The norms that constitute the structure command different levels of agreement or obedience and these levels of agreement or obedience are in a constant state of flux. In other words, norms may be more or less robust and their degree of robustness oscillates. A strong norm today can be displaced and cast into normative oblivion in the future. Witness the demise of the norm of slavery.

Norms are propagated and made stronger by what Finnemore and Sikkink call norm entrepreneurs. "Norm entrepreneurs attempt to convince a critical mass of states to embrace new norms." (1998:895) Norm entrepreneurs are agents that have strong notions about appropriate or desirable behaviour in the community (1998:895) and who "call attention to issues or even 'create' issues by using language that names, interprets, and dramatizes them."(1998:895) Norm entrepreneurs construct cognitive frames that provide other actors with new ways of thinking about and understanding issues (1998:895). The alternate norms and frames advanced by these agents are articulated in the face of established standards and interpretative models. Ultimately, norms are built by agents that promote alternate standards in an attempt to modify the behaviour and perceptions of interests of fellow actors. The robustness of the propagated norm is determined by the number of followers that adhere to the standard promoted by the entrepreneur.

Canada has served as entrepreneur for the norm of human security in the international system. Canadian foreign policy, under the stewardship of Minister of Foreign Affairs Lloyd Axworthy, has advocated a redefinition of security. Instead of the traditional conception of security that focuses on the state as the object in need of security, Canada has helped to broaden the focus of security toward individual human beings (Axworthy 2001:19). This new understanding sees security of states as essential to, but not sufficient for, the security of the person. Canada has advanced a doctrine that puts people first (2001:20); an agenda that places security of the person above considerations for state security (Ross 2001:77).

Canada's promotion of the human security norm has taken a number of forms. Initially, Canada and Norway entered into the Lysoen partnership. This partnership developed into the Human Security Network. In 1997, Canada initiated and helped to realize the Ottawa Treaty banning anti-personnel landmines. In 1999, Canada participated in the production of the Rome Statutes and the founding of the International Criminal Court. The same year Axworthy chaired an open briefing of the Security Council which focused on the protection of civilians in armed conflict. Even more recently, Canada hosted the International Conference on War-Affected

Children and sponsored the International Commission on Intervention and State Sovereignty. All of these initiatives have helped to establish individuals as the point of reference for the redefinition of security (Human Security: Safety for People in A Changing World 1999:5). Each has supported a shrinking of the unit of analysis in security matters from the state to the community and even the individual (Axworthy1998:1).

Canada's Entrepreneurial Inconsistency

After some of the most gruelling negotiations the Security Council has seen in years (Williams 13 Oct. 2000:11), UN Resolution 1322 was passed on 7 October 2000. Fourteen members endorsed the resolution. The U.S. abstained.

Resolution 1322 "deplores the provocation carried out at al-Haram al-Sharif in Jerusalem on 28 September 2000, and the subsequent violence"; "condemns acts of violence, especially the excessive use of force against Palestinians"; "calls upon Israel, the occupying Power, to abide scrupulously by its legal obligations and its responsibilities under the Fourth Geneva Convention"; "calls for the immediate cessation of violence"; "stresses the importance of establishing a mechanism for a speedy and objective inquiry into the tragic events"; and "calls for the immediate resumption of negotiations within the Middle East peace process."

The Canadian delegate to the Council, Ambassador Heinbecker, supported resolution 1322. Why did Canada endorse this resolution? The verbatim record of the 7 October meeting reveals that the Canadian delegation offered no justification of the endorsement following the vote on the resolution. Consequently, the best explanation of the Canadian support can be found in Heinbecker's Security Council speech of 3 October.

While speaking on the situation in the Middle East, including the Palestinian question, Canada's permanent representative expressed a deep concern over the violence in Israel, the West Bank and Gaza (Heinbecker 3 Oct. 2000). Heinbecker concluded with an endorsement of the U.S. and Egyptian efforts to reinvigorate the Palestinian-Israeli peace dialogue, but before so doing he deplored the deaths of innocent children and said that Canada was particularly disturbed by the disproportionate and excessive use of force and the large number of Palestinian civilian fatalities (Heinbecker 3 Oct. 2000).

Heinbecker's speech is rife with the themes and language of the human security discourse. Rather than speak of stability and Canada's interests in the region, the ambassador paid particular attention to the deaths of children and civilians. Resolution 1322 engaged the same issues. This is particularly evident in the resolution's call for Israel to abide by the Fourth Geneva Convention relative to the protection of civilians in time of war. The same principles that guide Canadian foreign policy undergirded resolution 1322. The Canadian delegation endorsed 1322 because the resolution was in keeping with Canada's human security doctrine.

UN Security Council Draft Resolution 1171 failed on 18 December 2000. The resolution was sponsored by Bangladesh, Jamaica, Malaysia, Mali, Namibia and Tunisia. It received support from these Council members as well as from China and Ukraine. The resolution did not receive the 9 endorsements required for adoption due to abstentions cast by Argentina, Canada, France, the Netherlands, the Russian Federation, the U. K. and the U.S.

The contentious element of the draft resolution was the third operative clause. This clause read:

> "[the Security Council] expresses it determination to establish a United Nations Force of military and police observers to be dispatched throughout the territories occupied by Israel since 1967, with the aim of contributing to the implementation of the Sharm El-Sheik agreements, the cessation of violence and enhancing the safety and security of Palestinian civilians."

The reasons given for Canada's abstention centre on this clause. Ambassador Heinbecker stated that "Canada would welcome any initiative that would succeed in stabilizing the situation in the region Y including the concept of an observation or monitoring force." (Heinbecker in provisional record, SC/6976 18 Dec. 2000) However, according to the Canadian representative, Draft Resolution 1171 would not lead to the deployment of an effective operation and might actually jeopardize the force it was determining to establish. This because the acceptance of both parties B the Palestinians and Israelis B had not been assured and an appropriate mandate for the force had not been developed (Heinbecker 18 Dec. 2000).

Heinbecker's explanation of Canada's abstention on 1171 is problematic for two reasons. First, requiring that both parties accept the idea of an observer force privileges state sovereignty over the security of the individual. This a direct contradiction of the human security agenda, and as such, a negation of stated Canadian positions.

On 18 October 2000, Heinbecker conducted a retrospective on Canada's role in the Security Council. In this speech the ambassador reminded the General Assembly that Canada had "consistently argued that the Security Council give greater weight to human rights and humanitarian principles in deciding when to act."(Heinbecker 18 Dec. 2000) Prophetically, Heinbecker also warned that "[t]he Council must ensure, however, that its engagements on these issues is not just rhetorical but substantive and action-oriented." (Heinbecker 18 Oct. 2000) More on the point of privileging sovereignty over humanitarian concerns, the permanent representative said: "In the global age, mass victimization and abuse of human rights are not tolerable. State sovereignty cannot be a shield behind which such acts are perpetrated with impunity. There must be accountability."(Heinbecker 18 Oct. 2000)

Exactly two months later, Canada's ambassador abrogated the key elements of this speech. Instead of being guided by humanitarian principles, he ignored what the UN Commission on Human Rights identifies as "widespread, systematic and gross violations of human rights perpetrated by IsraelY which constitute war crimes and crimes against humanity." (UNCHR S-5/1) Instead of challenging the hegemony and supremacy of sovereignty doctrine, he posited sovereign authority as determinant in the decision to deploy observers. Heinbecker's abstention demonstrated that human rights abuses are tolerable and that sovereignty is still a shield behind which some states can hide.

A salient legal note deserves mention in this context. Israel is the occupying power in the West Bank and Gaza Strip; it does not exercise *de jure* sovereignty in these spaces. As such, Heinbecker's assertion that both parties must agree to the deployment of a UN force is misplaced. A UN peacekeeping force was introduced into Sierra Leone only after the Sierra Leonean state had accepted its presence. The deployment was contingent on the acceptance of

Sierra Leone because the state exercised *de jure* sovereignty over the space into which the UN forces were to be introduced. The spaces of the West Bank and Gaza Strip are international anomalies – both are voids of *de jure* sovereignty. Despite Egyptian administration and rescinded Jordanian claims, these spaces have been, since 1988, without *de jure* sovereignty. Because of this there is in fact no *de jure* sovereignty to which to appeal for permission to deploy UN forces.

The asovereign nature of the occupied territories would appear to complicate any decision to introduce a UN force. This, however, is not the case. The UN, having partitioned Palestine with Resolution 181, has the responsibility to be involved in the question of Palestine until its successful resolution. This is in addition to the Security Council's responsibility for international peace and security. These responsibilities surely include mandating operations intended to ensure peace and security in the territories occupied by Israel. Heinbecker's assertion is misplaced because it ignores these responsibilities while providing the occupying power with a veto over the decision to introduce observers. Analogously, this would have been like securing Iraqi acceptance before deploying a UN force to Kuwait.

The second reason that Heinbecker's explanation of Canada's abstention is problematic is that it obscures repeated attempts by the UK, France, China and the Non-Aligned Movement (NAM) to realize the resolution through compromise. The Canadian delegation stated that it withheld support because the mandate of the proposed observer force was not conducive to an effective operation. This is a chimera.

UN Draft Resolution 1171 underwent several changes before the 18 December vote. Canada could have helped to shape an acceptable mandate during this time. Instead, reports indicate that Canada expressed little interest in the resolution and made no contributions which might have made it acceptable to the Canadian delegation. On 17 November the Palestinian Permanent Observer to the UN introduced a resolution calling for the deployment of 2000 troops under the UN flag. Over the next month France and the UK proposed reducing the force to an unspecified number of military observers (Chronological Review of Events - DPR Review 10 Nov. 2000), France proposed an unarmed force (Chronological Review of Events - DPR Review 12 Nov. 2000), Britain and France suggested amendments that would "endorse the broader concept of an international presence, but hold up on sending any troops" (Haaretz, 8 Dec.2000) and other Security Council members floated the idea of equipping an unarmed force with video cameras. Canada offered no suggestions that might have made the resolution more palatable to the Council members. According to the Malaysian delegate, those who disagreed with the draft resolution offered "no concrete counterproposals on language or amendments" (UN Press Release 18 Dec. 2000) and did not engage the NAM offered modifications (UN Press Release 18 Dec. 2000). Similarly, the Namibian delegation said that the sponsors of the resolution had been accommodating and had endeavoured to engage all members on the subject to no avail (UN Press Release 18 Dec. 2000) The Canadian delegation was afforded ample opportunity to help cast an acceptable mandate; Canada chose not to seize this opportunity.

Adding to the incongruity between the drafting of resolution 1171 and Canada's problematic abstention is the fact that the text was open-ended and flexible. Operative clause three states that the Council is determined to establish a UN force. The clause does not state that the Council is *establishing* the force. This is more than a semantic difference. The draft resolution leaves open the actual operationalization of the force and instead conveys the Council's resolve. Moreover, operative clause four reveals that the establishment of such a force would be a two-phase process

in which the Secretary-General would be intimately involved. The composition, modalities of deployment and functioning of the force were all to be set in accordance with the determination to establish the force. The open-ended nature of the proposed observer force argues against the Canadian assertion that it would not create an effective operation. In fact, the flexibility of the proposed force should have contributed to making the force even more effective and responsive.

Canadian non-engagement with 1171 opened a large chasm between Canada's stated policies and its actions. Why was this chasm allowed to open? The answer to this question lies with U.S. diplomatic pressure.

U.S. Policy in the Security Council

American policy on Resolution 1322 and Draft Resolution 1171 is a study in contrasts. In the case of the former, the U.S. delegates "were desperate to get a form of words they could abstain on."(Williams 13 Oct. 2000) In the case of the latter, the U.S. representative openly warned the Council in November that he would "oppose the deployment of a protection force." (Chronological Review of Events - DPR Review 10 Nov. 2000)

Israel's policies in early October were so universally perceived as draconian that U.S. policy in the Security Council was ineffectual in introducing significant changes to resolution 1322. U.S. representative Holbrooke tried unsuccessfully to add "Temple Mount" to the first operative clause (Williams 13 Oct. 2000). He also failed to include mention of Israeli casualties in the second preambulatory clause and the same operative clause. Ultimately, the only tangible manifestation of U.S. involvement in the debate surrounding 1322 was exclusion of the term "international" from the fifth operative clause. Instead of an international inquiry into the violence and deaths, the U.S.'s otherwise impotent policy resulted in a call for an "objective inquiry".

Indicative of the exasperated position of the U.S. delegation with regards to 1322 is Holbrooke's various raising of his hand for and against the resolution before finally raising it for abstention (Williams 13 Oct. 2000). After this symbolic bumble, Holbrooke expressed dissatisfaction with the resolution – 1322 was unbalanced (Holbrooke 7 Oct. 2000). The resolution was, however, "balanced" enough to allow for a U.S. non-vote. Ultimately, the American delegation did get language on which it could abstain.

On the more substantial draft resolution U.S. policy was determined and assertive. Following the 18 December vote the U.S. delegation explained that had there been a chance of the resolution passing, Deputy U.S. Permanent Representative Cunningham would have cast a veto (UN Press Release 18 Dec. 2000). Instead of casting a veto, U.S. machinations in the Council produced insufficient support for the resolution. Draft resolution 1171 failed by a vote of 8 in favour with 7 abstentions. This non-veto failure achieved two American foreign policy objectives concomitantly. First, the U.S. escaped the recriminations that would have attended the quashing of the resolution. By the time of the Security Council vote, the death toll in Israel/Palestine had risen to 333 people and calls for an international observer force had been expressed by such various international actors as the UN Commissioner for Human Rights – Mary Robinson, the Organisation of Islamic Conferences (OIC) and the Organisation for African Unity (OAU). A U.S. veto would have directly linked American policy to increased civilian deaths and greater abuses of human rights. This, in turn, would have made it significantly more difficult for Arab regimes troubled by massive demonstrations in support of the Palestinian resistance to remain

tied to American policy. Second, an American veto could have sent the issue of an observer force to a Special Session of the General Assembly (Williams 24 Nov. 2000:7). Such a shift would have provided the NAM and the Palestinians with another forum in which to pursue the idea of an observer force, a forum in which they exercise considerably more power. Insufficient support for 1171 meant that the resolution died in the Council.

According to the Palestinian Permanent Observer to the UN, the American delegation exerted heavy pressure on all members of the Security Council when addressing 1171 (Al-Kidwa 18 Dec.2000). In fact, Representative Al-Kidwa claimed that huge American pressure lead several states to change their positions on the draft resolution (Palestine and the UN Mid-January 2001:1). The available documents make it exceedingly difficult to discern the nature and direction of this pressure. Its exercise, however, is indisputable. In at least one instance this pressure actually resulted in a Council member rejecting a draft text it itself had proposed.

With resolution 1322 the Canadian delegation set a precedent that it was willing to support the idea of human security in Israel/Palestine. Two months later Canada weakened this norm by revealing its divisibility. Some force was introduced to cause this shift in Canadian policy. I believe it a safe inference that this force, this impetus for policy reorientation, was the massive American pressure identified by the Palestinian Representative. Speaking before the U.S. Senate Foreign Relations Committee in January 2001, Holbrooke declared that the American delegation "defended Israel's interests against numerous attempts to insert the UN into an inappropriate role in the crisis." (Holbrooke, 9 Jan. 2001) This declaration seems to bear out the inference that U.S. power was exercised to change the policies of Security Council members, including Canada.

Peace In Israel/Palestine—What Can Canada Do?

As a middle power, Canada has a role to play in building positive peace in Israel/Palestine. Fulfilment of this role requires that future Canadian diplomacy be guided by three linked, or interconnected, policies: 1) consistent actualization of the human security doctrine 2) abandonment of the Oslo process and 3) internationalization of a post-Oslo Middle East peace process. These policies must be operationalized concurrently, they are co-dependent. Failure to pursue one will render pursuit of the others otiose. Worse yet, not implementing any one policy will perpetuate a violent and unstable situation pregnant with the possibility of denying Palestinians and Israelis peace for the foreseeable future.

Actualizing Human Security

Canada's entrepreneurial advocacy of the human security norm has been successful; it has produced a corps of norm followers. Axworthy's claim that the norm of human security is being successfully diffused and adopted (Axworthy 2001:20-21) is apparent in the Council deliberations surrounding 1171. Several of the states supporting the draft resolution including China, Malaysia and Mali deployed the human security discourse to rationalize the need for observers. Now, Canada must, through means of persuasion and negotiation, help to actualize the norm in Israel/Palestine. This must be done through the UN. Canada should use its positions in the General Assembly to send human rights commissions to the occupied territories. Specifically, Canadian policy should endeavour to constitute and direct missions of inquiry similar to Robinson's November 2000 report on human rights abuses in the West Bank and Gaza Strip. Canada should also continue to denounce human rights abuses through instruments such as the

Commission on Human Rights. Expressions of concern such as that of Ambassador Gervais-Vidricaire of 28 March must increase in measure and frequency.

Dispatching international observers to the territories is the surest way to ensure human security for Palestinians and Israelis – security of the individual is the cornerstone of regional security and stability. Canada has relinquished its seat on the Security Council, but this should not preclude Canadian delegations from pursuing the idea of an observer force. On 26 March 2001, the U.S. vetoed Security Council draft resolution 7040. The most contentious element of this resolution was its expression of the Council's readiness to set up an appropriate mechanism to protect Palestinian civilians. The veto became necessary because instead of abstaining as it did in December the Russian delegation endorsed the resolution. Canada should take this opportunity to make use of UNGA Resolution 377 – the Uniting for Peace Resolution – to deploy international observers to Israel/Palestine. Arguing that a lack of unanimity in the Council has not enabled the body to meet its responsibility to maintain international peace and security a special session of the General Assembly could be convened. The seven votes required for this shift of venue already exist in the Council, and once in session the NAM dominated Assembly would ensure the deployment of a UN force.

This kind of Canadian norm entrepreneurship would not alienate the U.S. Even the observer force is not as anathema to American policy as the March veto would suggest. In fact, in early November the U.S. approached Israel about the deployment of an unarmed international observer force (Chronological Review of Events - DPR, 6 Nov. 2000). Then Foreign Minister Ben-Ami rejected the American suggestion, and consequently Holbrooke issued his warning that the U.S. would oppose such a force. Evidently, the U.S. is opposed to an observer force only so long as Israel is opposed to an observer force. More importantly, the Israeli position on the observer force has proven to be malleable. A month after the initial rejection, Israel's UN Ambassador announced that Israel was "not opposed to some form of international presence provided it is established within the context of a comprehensive bilateral agreement." (Lancry 18 Dec. 2000) Canada should suggest that the interests of peace demand that a force be deployed before any such agreement. Instead of repeating the introduction of the Temporary International Presence in Hebron (TIPH) which followed Baruch Goldstein's massacre and the bilateral Hebron Protocol, efforts should be made to convince Israel of the preventive benefits of an observer force. If these efforts are successful, if the Israeli policy is reoriented, the Americans will, following the established policy symmetries, support the introduction of an international force protecting human security.

Abandonment of the Oslo Process

Canada has been as insistent as the U.S. that the Palestinians and Israelis return to the crumbling Oslo process. This is a misguided policy that must be reoriented. Canadian diplomacy must challenge the legitimacy and feasibility of the Oslo negotiations; it must stop accepting that the Oslo process is a peace process. Despite loud and repeated pronouncements, the Oslo process has not met its maxim. It has not facilitated the exchange of land for peace. In fact, since the signing of the Oslo accords in 1993 Israel has increased the illegal settler population in the occupied territories by 52% (Remez for Peace Now, 4 Dec. 2000). Over the same period, Israel has also increased the number of illegal settler housing units in the West Bank and Gaza Strip by 52% and established three new authorized settlements and 42 unauthorized settlements. Such

unilateral policies – violations of the Oslo Accords and the Geneva Conventions – have exposed the nakedness of the "Oslo pantomime" (Amayreh 22 Dec 2000:6).

The Oslo negotiations have not ended the Israeli occupation of the Palestinian territories. As a result, Arafat's authority as Palestinian president has be undermined. (Badawi 22 Dec. 2000:12) A weakened Arafat, 500 dead, 12,000 injured and a devastated economy will make it exceedingly difficult for the PNA to renew negotiations from the point at which they ended in September. It will not be enough for Israel to withdraw its troops to their September positions. This would merely recreate the conditions that spawned the violence. In other words, "a return to the status quo ante is untenable" (Badawi 13 Oct.2000:12). Moreover, the 'exceedingly generous concessions' offered by Barak at Camp David have demonstrated to Palestinians that Israel is unwilling to meet their minimal demands for statehood. Palestinians have rejected the Oslo process and, despite his dependence on the Israelis and the Americans, Arafat cannot alienate himself from the civil society he purports to represent by continuing to participate in an unchanged Oslo process. Such a "reversion could be political suicide for Arafat."(Amayreh)

It is futile for Canada to recommend a return to a process rejected by Palestinian civil society. A Canadian questioning of the hegemony of the Oslo process will oppose Canadian policy to American policy, but indications are that this dissymmetry will be ephemeral. Since September, both the EU and Russia have made statements that seem to suggest a willingness to overhaul the negotiating process, or reformulate its foundational tenets. The EU President recently said that "*the* [Oslo] negotiations must resume" (France letter to the Secretary-General) and Palestinians and Israelis must "continue *the* peace process." (Chronology of Events - DPR) In a contradictory fashion, the EU has also stated that it supports direct dialogue and a lasting peace based on UN resolutions 242 and 338 (Chronology of Events - DPR 18 Dec.2000) and that the basis of Palestinian-Israeli negotiations must be resolutions 242 and 338 (Chronology of Events - DPR 15 Mar. 2000). These are contradictory because, despite the first article of the Declarations of Principles, the Oslo negotiations are not grounded in international law or outstanding UN resolutions. If they were, Israel's illegal settlements in the territories would not be a final status issue; they would be recognised as Geneva Convention violations and transgressions of resolution 242 and be dismantled. A small, unannounced shift in EU policy seems to have occurred because more recent statements have referenced the UN resolutions and called for a return to negotiations, but not specifically the Oslo negotiations. Couple this with Solana's October musing that there was the potential for "a return of the UN" (Chronology of Events - DPR 18 Oct. 2000) to Palestine – a suggestion anathema to American Middle East policy and one to which I will return– after many years and what is manifest is an apparent European willingness to question the sanctity of the Oslo process. Admittedly the foregoing is more inference than robust analysis, but it does seem to suggest that the EU has recognised the limitations of the Oslo negotiations and is tentatively searching for means of redefining the foundations and parameters of Palestinian-Israeli discussions.

Russian policy has been even less accepting of the Oslo formula. As early as November, Russia's First Deputy Foreign Minister proposed that the range of those searching for peaceful settlement be broadened. (Chronology of Events - DPR 24 Nov. 2000) More recently, the Russian delegate to the Security Council announced that resolutions 242 and 338 and the Madrid principles would form the basis of any peace (Lavrov, SC/7031 15 Mar. 2000). Apart from the underlying contradiction between the Oslo process and outstanding UN resolutions already

addressed, this statement is significant because it indicates a Russian willingness to reinvest in the peace conference that preceded the Oslo Accords. Both statements reveal Russian inclination to abandon Oslo's bilateral negotiations and resurrect Madrid-like multilateral negotiations.

It appears that a reoriented Canadian policy that challenges the Oslo process would receive support from the EU and Russia. Such international consensus should preclude the development of a significant policy rift between Canada and the U.S. in the medium to long term. The U.S. would initially oppose an alternate Middle East peace process. This opposition, however, would be untenable for two reasons. First, facing calls to abandon the Oslo process coming from the co-sponsors of the Madrid Conference the U.S. would eventually relieve itself of the burden of being the sole remaining endorser/guarantor of a peace process that began as a multilateral endeavour. Second, the Oslo negotiations have not produced the chief interest of American foreign policy – international stability. An alternate peace process that promises to eliminate the current violence and produce stability for Israel/Palestine would grudgingly be accepted by the U.S. The acceptance would be grudging because American administrations are not guided by a moral or deontological compulsion to stop the current conflagration and an influential domestic Israeli lobby would try to deter the U.S. from abandoning the Oslo process. Both obstacles would be overcome by a post-Oslo peace process that delivered stability.

This second point has been borne out since the inauguration of the second Bush administration. Along with changes to the U.S. diplomatic lexicon that speak of smart sanctions and containment, there is talk, not of the peace 'process', but rather 'negotiations' and 'movement towards peace' (Jansen 9 Mar. 2001:4). In fact, during his recent trip to the region the U.S. Secretary of State did not mention 'Oslo'. (Badawi 9Mar. 2000:6)

Tangentially it should be mentioned that the desire to stabilise Israel/Palestine will become more acute the longer the violence continues. The Bush administration is trying to reconstruct the anti-Iraq coalition in order to isolate Hussein's regime. At the recent Arab summit in Amman it became evident that some states would like to reintegrate Iraq into the Arab military front as a counterweight against Israel (Jansen). The more Palestinian civilians killed by Israel's helicopter gunships, the more serious these balance of power calculations will become. Such a reintegration would undermine U.S. policy. A post-Oslo peace process that produced stability and alleviated the need for such calculations, thereby keeping Iraq contained, would be attractive to the U.S.

Fatah's leader in the West Bank, Marwan Barghuti, has announced that "the Oslo period of the long war over Israel/Palestine is finally over." (Usher 13 Oct. 2000:6). It is imperative that Canadian foreign policy make the same realization and begin shaping a post-Oslo Middle East peace process. Instead of the coerced policy symmetry that developed around resolution 1171, such constructive involvement in Palestinian-Israeli politics should create a true policy symmetry between Canada and the U.S.

Internationalizing a Post-Oslo Process

In November, the UN High Commissioner for Human Rights stated that peace in Israel/Palestine "could only be achieved on the basis of a framework conforming to the requirements of international human rights and humanitarian law." (UN Press Release 27 Nov. 2000) Such a framework can only be constructed if the international community follows the Russian suggestion and broadens the scope of those searching for peace. As an influential middle

power, Canada is ideally positioned to play a leading role in the reconstitution of an internationalized peace process.

Two steps, both alluded to previously, should be taken immediately in order to multilateralize an alternate Middle East peace process. First, Canada must make use of the Uniting for Peace resolution and introduce a UN observer force into the occupied territories. The states whose forces constitute this multinational force, including presumably Canada, will immediately become more involved in future attempts to peacefully resolve the Palestinian-Israeli conflict. These states will instinctively demand more influence in the direction of peace negotiations because they will have exposed their troops to potential violence. Such influence could involve general elements of the negotiations such as the timing of agreements and specific elements such as the precise mapping of territory to be transferred.

Second, Canada should suggest a return to the archetype of multilateral talks launched after the Madrid Conference. The co-sponsors of the talks were the U.S. and Russia and included in the steering group were the EU, Japan, Canada, Norway, the Gulf Cooperation Council, the UMA, Egypt, Israel, Jordan and the Palestinian Authority. Canada is also a member of the monitoring committee and the gavel holder for the refugees working group.

Since the start of the Oslo process the U.S. has consistently favoured Israeli positions over international law (Badawi 22 Dec.2000:12). Rather than serve as legitimate honest brokers, the U.S. has manipulated the Oslo process in accordance with Israeli designs. This has been possible because the international community has been/has allowed itself to be excluded from substantial involvement in the negotiations. In fact, "Clinton's persistent position was that the UN be kept out of the peace process." (Williams 13 Oct. 2000:12) This exclusion is typified by Holbrooke's November instruction to the Security Council to let the Palestinians and Israelis "work it out" and warning that the "UN undermines bilateral efforts at reaching peace." (Holbrooke 22 Nov.2000) Reinvigorated international involvement in post-Oslo peace negotiations would mitigate against American hegemonic dominance of the Palestinian-Israeli peace and might produce more balanced and mutually acceptable agreements. Furthermore, internationalized negotiations are pregnant with the possibility that a reconciliation between peoples might develop to produce a truly just, lasting and comprehensive peace.

Conclusion

The current instability in Israel/Palestine represents an opportunity for Canadian foreign policy to help forge a positive peace in Israel/Palestine while making more robust the norm of human security. Recently, Canada's advocacy of this norm has been selective. Canadian foreign policy initiatives that encourage abandonment of the Oslo process and its replacement with internationalized peace negotiations firmly grounded in international law and outstanding UN resolutions can, however, make Canadian support for human security more consistent without damaging Canada-U.S relations.

The past nine months of death and destruction have unravelled the Oslo process. This should not, however, be greeted with pessimism. Instead, it should be recognised that the current juncture has opened critical space into which Canadian foreign policy can constructively insert itself. Canada can articulate a vision of mutual, rather than imposed, peace that will engender regional stability. Furthermore, Canadian foreign policy initiatives that help to realise a viable Middle East peace based on equality and reconciliation will be lauded as significant international contributions. If Canada seizes this opportunity, these contributions will rival in stature Canada's brave peacekeeping initiative of 1956.

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Partners Against Crime: The Need for Greater Co-operation Between Canada and the United States in Efforts to Combat and Control Transnational Organised Crime

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Introduction

For Canada there is no more important bilateral relationship than that which it has with the United States. Canada and the U.S. share many things. They share a common historical and cultural background. They share a language. They share a continent. Lastly, they share problems.

In recent years, there is a growing concern over the growth of transnational organised crime between Canada and the U.S. It is a concern that is gaining considerable attention in Canada, and has become a national security matter in the U.S. From illegal migrants using Canada as a transition point, to smugglers bringing goods from the U.S. From marijuana shipped from British Columbia, to terrorist conspiracies, the Canada-U.S. border is increasingly infected by organised crime.

Both countries have begun operations to combat the various forms of transnational organised crime. Until recently, however, there was little co-operation between the governments of Canada and the U.S. Some co-operation is now happening, mostly on an ad hoc basis. To effectively combat and control the flow of organised crime across their common border, greater co-operation is needed between not only the Canadian and American governments, but also between those government agencies directly responsible for dealing with the problem of transnational organised crime. This seminar paper will examine how greater co-operation between Canada and the U.S. will lead to more effective combat and control of transnational organised crime.

Before attempting to cope with a problem, you must first understand what it is you are facing. The first section of this paper will describe the nature of the organised crime that is transiting the Canada-U.S. border. Firstly, I will provide a definition of transnational organised crime. Because transnational organised crime, as a security issue, is relatively new, there is not yet a set definition that is commonly used by academics. Therefore, I will attempt to provide some clarity as to what exactly is transnational organised crime and why it is a threat to the state.

Secondly, I will illustrate the kinds of crimes that flow across the border. This includes illicit drug trafficking, human commodity trafficking, contraband smuggling, and terrorism. I will also illustrate how a shared border is susceptible to transnational organised crime. Within this illustration I will explore how Canada and the United States have cooperated in the past to combat these crimes.

Finally, this paper will consider and propose new ways for the governments of Canada and the United States to cooperate more effectively in their efforts to combat and control transnational organised crime.

Transnational Organised Crime[1]

As I noted above, no clear academic definition of transnational organised crime is available. However, where academics remain undecided, the international community is not. Since 1994, the United Nations, through the auspices of the Economic and Social Council, worked to develop an international convention that outlines how states can cooperate to combat transnational crime. In late 2000, the United Nations completed the development of this convention.

On 15 November 2000, the General Assembly accepted the first ever all-encompassing convention against transnational crime. Titled the *United Nations Convention Against Transnational Organized Crime*, it presents, for the first time, an official definition of what makes a crime transnational. Article 3, Section 2 of the Convention states:

> 2. For the purpose of paragraph 1 of this article, an offence is transnational in nature if:
> a) It is committed in more than one State;
> b) It is committed in one State but a substantial part of its preparation, planning, direction or control takes place in another State;
> c) It is committed in one State but involves an organized criminal group that engages in criminal activities in more than one State; or
> d) It is committed in one State but has substantial effects in another State.
> (United Nations, 2000: 2)

This definition is important for the study of transnational organized crime as a threat to states and to the international order established by those states. It delineates it as separate from other kinds of crime, such as war crimes or domestic crimes like murder or burglary. What is most important within the wording of this definition is the inclusion of the term 'organized criminal group'. The inclusion of this term illustrates the particular nature that is inherent to transnational crime that is seen of as a threat; the threat being criminal organisations and the networks they establish across borders. The Convention describes an organised criminal group as "a structured group of three or more persons, existing for a period of time and acting in concert with the aim of committing one or more serious crimes or offencesYin order to obtain, directly or indirectly, a financial or other material benefit" (United Nations, 2000: 1).

Criminal organisations exist around the world. Many operate in only one country, but establish partnerships with organisations in other countries so as to construct transnational networks. There are a few, however, that are truly multinational. According to US News and World Report, the strongest criminal organisations are: the Triads, based in Hong Kong; the Cali Cartel, based in Columbia; Vory v Zakonye, based in Russia; and the Yakuza, based in Japan (US News and World Report, 1994: 1). These syndicates are truly global, having branches in major countries around the world. Though these four could be considered the strongest and most famous, they are not the only global syndicates. "According to the INS [US Immigration and

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[1]This section is adapted from a paper I composed for a graduate class, INTS 700—Research Methods. The paper was titled *The New, Yet Old, Threat—The Relationship between Transnational Organised Crime and a State's Level of Economic Development.*

Naturalization Service], organized criminals of each nationality seem to specialize: Colombians in cocaine; Mexicans in marijuana, alien smuggling, and auto theft; Nigerians in heroin, student-loan and credit-card fraud; Chinese in heroin and alien smuggling; South Koreans in prostitution; Russians in drugs and insurance fraud; and Jamaicans in cocaine" (Tanton et al., 1993: 218).

As is easily deduced from the above list of various crimes, transnational organised crime produces a significant illicit profit. US News and World Report published the following statistics on 28 November 1994. The estimated annual profits from organised crime worldwide were US$1 trillion. 50 percent of these profits came from the global narcotics trade, while the other 50 percent were collected from human commodity trafficking, illicit arms sales and other criminal activities. Of this US$1 trillion, the Chinese Triads earned US$210.2 billion, or 21 percent of the total. 70 percent of the Triad profit came from the narcotics trade, predominantly the trade in heroin. The Triads are considered the world's strongest international criminal syndicate.

To grasp how ineffective national governments have been at combatting transnational organised crime, we need only look at the United States and its ratio of profits-to-seizures and its ratio of conviction of crime bosses. US News and World Report also published these statistics on 28 November 1994. In 1994, the value of seizures from organised crime and drug investigations was US$210 million. That is 0.1 percent of the Triads annual profits and only 0.021 percent of estimated global organised crime annual profits. The ratio of profits-to-seizures is so large as to not need mentioning. Another set of numbers is the United States ratio of conviction of organised criminal group members. Since 1981, the US has convicted 3773 members of criminal organisations. Of that only 42 have been underbosses or bosses. That is a ratio of 90 to 1. The odds of convicting a crime syndicate boss, while not astronomical, are still quite high and certainly not odds on which to gamble. Based on these numbers, and taking into account seven years of growth since the publishing of these statistics, it can be concluded that US government seizures and arrests produce no deterrent effects on transnational criminal organisations.

Transnational organised crime is a threat to individual states and to the international order. As was pointed to above, the profits for organised crime are calculated globally. Even in 1994, these profits exceeded the gross domestic product of some of the world's nation-states. The world economy cannot escape the effects of such a "shadow" economy. "The notion that activity in the shadow economy has important implications for the official economy is essentially unchallenged" (Fleming et al., 2000: 388). Recognizing this let us examine the development of the international order since the late 1970s.

For the last 25 years, the international order has undergone a major transformation in the form of globalization. To make trade between states flow more smoothly, and to encourage the economic growth of developing states, the governments of the world have worked to decrease financial barriers and loosen control of the global economy. This loosening, however, has left an opening by which organised crime has infiltrated the global economy. "As barriers fall, and as

control over the world economy decreases, the void in regulatory control risks being filled by *organized crime, as they infiltrate the economy, state, criminal justice system and the media*" (Martin, 1999: 27).

Barriers have not fallen only to trade, but also to the physical movement of peoples. Migration grows with the process of globalization. Because there is an ethnic nature to most criminal organisations, they then follow the paths that migrations lay out. A number of authors have illustrated the process of syndicates establishing networks via diaspora and migrant communities. Peter B. Martin explains, "with such a single ethnic character…whether it be Colombian, Russian, Albanian, or Italian, [criminal syndicates] can enter into other countries, bond with the local ethnic group, set up…affiliations and thereby further increase their global network" (Martin, 1999: 26). Donna M. Hughes also points to this kind of process in regards to the illegal sex trade. "Transnational crime networks take advantage of patterns of migration to traffic women" (Hughes, 2000: 632). US Senator John Kerry illustrates this point as well, though in a less politically correct manner. "The United States had to understand…that for many Colombians there was nothing wrong with organized crime, as long as its victims were the children of somebody else" (Kerry, 1997: 23).

Senator Kerry also explicates the ultimate reason that globalization has helped organised crime to grow exponentially. "Crime was a natural for globalization. The ability to move money electronically may be a boon for business, but it is a godsend for the godfathers" (Kerry, 1997: 20). Ease of movement, both of funds and of people, has assisted both licit and illicit commerce. Globalization has helped numerous economies to grow, but this same process has allowed for other economies to flounder under the tightening grip of corruption and violence. As Jon Tinker discusses in the introduction to Michael Smith's book, *Why People Grow Drugs*, "The huge sums of money involved distort and corrupt local and regional economics—and in some cases the narcotics industry threatens the development prospects of whole nations" (Smith et al., 1992: xi). It is like opening the release valves on a dam so as to release pressure. The international community did not pay close enough attention to how much pressure was being released, and the dam began to crack and break in places. The dam of state control is still in place, but it is weakened, and as the release of pressure continues, as the process of globalization continues, it will weaken further. Louise I. Shelley supports this train of thought. "The seriousness of the problem lies in the complexity of these organizations and their activities, their global penetration and the threat they pose to democracy and legitimate economic developmentCthese organizations clearly undermine the concept of the nation-state" (Shelley, 1995: 463). This is why transnational organized crime is seen as a threat to national and international security.

Crime across Our Shared Border

The Canadian-American border is almost 6000 kilometers long. Not only is it one of the longest borders in the world, it is the world's longest undefended border. Across this frontier "…the two countries exchange $1 billion a day in goods and services" (The Economist [1], 1997: 29). The Canada and the United States have a very close economic relationship based on this large

exchange. Unfortunately, this close relationship created a very porous frontier, across which, in the form of criminal activities, far more than $1 billion flows.

The most prevalent forms of transnational crime that flow across the border are: illicit drug trafficking, illegal migration, contraband smuggling, and terrorism. Let us examine first the crime of illicit drug trafficking.

Though drug trafficking is witnessed along the entire length of the border, it is most prevalent along the British Columbia-Washington section of the frontier. Why is it most prevalent here? "The reason is simple: British Columbian pot [marijuana] has become the champagne of cannabis" (The Economist [2], 1998: 33). Brought to BC by US 'refugees' during the era of the Vietnam War, it was developed over time into one of the most potent forms of marijuana. BC marijuana, or 'BC Bud', contains up to thirty percent THC content. THC is the chemical element in marijuana that produces its intoxicating effects. Most other forms of marijuana have a THC content of two to twelve percent (The Economist [2], 1998: 33). This high THC content is what makes BC Bud so in demand. It sells for quite a bit more than other varieties of marijuana, $6000 to $7000 a pound (The Economist [2], 1998: 33). "[Most] disturbing to Americans and Canadians alike is that US-Canada drug enforcement officials have reported that drug smugglers in the US are exchanging BC marijuana pound for pound for cocaine which has begun fuelling a fledgling crack-cocaine trade north of the border" (Subcommittee on Immigration and Claims, 1999: 9).

The marijuana industry has grown to tremendous proportions. Part of this has to do with marijuana being incredibly easy to grow. All that is needed are the seeds and some manure. The growth can also be attributed to the tolerant attitude of the BC government over the issue of marijuana cultivation. While not legal in the province, the government has identified more serious concerns than stopping marijuana cultivation. Without strong government support, the RCMP can do relatively little. The RCMP, as a result, concentrates most of its enforcement operations along the border. At the border the RCMP and the US Border Patrol work in tandem to combat the trafficking of marijuana and other drugs across the border in either direction.

Though this cooperation is uplifting, the RCMP and the US Border Patrol continue to experience little success in arresting traffickers and seizing their cargoes. It comes down to manpower. "YThe Border Patrol currently has only 289 agents along the 3500 mile northern border" (Subcommittee on Immigration and Claims, 1999: 8). The situation is worse for the RCMP, in that they are also responsible for other forms of law enforcement and cannot maintain a force dedicated to assisting in patrolling the border. "The anti-smuggling operation is being expanded, but border officials say that, at best, they catch only ten percent of the weed that is heading south" (The Economist [2], 1998: 33).

Another crime that is prevalent along the border is illegal migration. Though Canada sees its share of illegal migration, the threat is more prevailing for the US. This is the case because Canada is often used only as a transition country, with migrants taking advantage of the porous nature of our shared border. There are two reasons that Canada is often a transition country for

illegal migrants. The first reason is its various international agreements regarding visas. The second is Canada's policy regarding asylum seekers.

In regards to visas, we can look at the case of illegal migrants from Mexico. "It may surprise many people to learn that Mexican nationals can enter Canada without visas, so it is often cheaper for them to fly to Canada and walk across the northern border than to have smugglers bring them across the southern border" (Subcommittee on Immigration and Claims, 1999: 10). Canada has numerous agreements with other countries, including the United States, whereby Canadian nationals and their nationals do not require visas to visit each other's countries. Some migrants have learned to take advantage of these agreements.

Canada's situation with asylum seekers is easily witnessed with the case of Chinese migrants. Canada's policy is that any person who requests asylum has the right to a hearing. It is also the policy of Canada to not hold this person in custody before their hearing. While waiting for a hearing, a migrant may move freely. Chinese migrants arrive by various means to Canada, many of them illegal. Once here they request asylum as refugees. While waiting for their hearings, the migrants engage the assistance of smugglers to get them across the border into the United States. It is these smuggling operations that are targeted by joint Canada-US operations. "The partnerships we have forged with Citizenship and Immigration Canada, the RCMP and other agencies have produced impressive results in the investigation of alien smuggling operations, a prime example of which it Operation Over the Rainbow II" (Subcommittee on Immigration and Claims, 1999: 21). This joint operation busted a Chinese smuggling ring along the Ontario-New York section of the border. For $47000 per person the smugglers were bringing up to 150 Chinese nationals a month across the border. They were doing this across a First Nation's reservation. This was the perfect place for such an operation, as the reservations are areas of contested jurisdiction. Other kinds of smuggling occur in these areas as well.

Contraband smuggling is the third kind of most prevalent crime that flows across the frontier. The most famous area where contraband smuggling occurs is in on the Mohawk reservation of Akwesasne. Akwesasne sits astride the Canada-US border near Cornwall, Ontario. It is considered an area of contested jurisdiction. This is because the Mohawks of Akwesasne maintain that they have sovereignty over the region. "[The Mohawks] regard Akwesasne as an unpartitioned sovereign territory over which they claim never to have conceded jurisdiction" in either the US or Canada (Jamieson, 1999: 87). With this claim, and with the claim of all Aboriginal peoples that they have a right to cross the border freely as First Nations people, Akwesasne has become a hot spot of trans-border crime. This is especially true "…in the smuggling (and manufacture) of contraband cigarettes and alcohol on quite an enormous scale" (Taylor, 1999: 79). Because of Canadian Charter of Rights and Freedoms, the Canadian government has a very difficult time with enforcing federal law where a person's mobility is infringed upon. Thusly the Canadian government cannot stop Mohawks from the Canadian side of the reservation from going to the American side. As a result, "Akwesasne has been quite a public source of friction between the US and Canada" (Taylor, 1999: 79). The problem is that most national borders have been somewhat permeable, and this causes more problems than just various forms of smuggling. Terrorism has become a serious concern.

"In 1998, the Director of the Canadian Security Intelligence Service acknowledged the presence of fifty terrorist organizations in CanadaY" (Subcommittee on Immigration and Claims, 1999: 10). The Director outlined that their activities included fundraising, smuggling, logistical support for operations, and the transportation of operatives to and from the US. "Since 1995, there have been at least thirteenYcases of terrorists crossing the border from Canada, two in Blaine alone" (Subcommittee on Immigration and Claims, 1999: 10). These are thirteen *known* cases; who knows how many terrorists have traversed the border undetected.

It is recognized that the most effective way to stop terrorists from crossing the border in either direction is to improve methods of identifying terrorists. The US State Department has a program designed for this. "The Lookout Program is a State Department program that targets a suspected terrorist by computer. If each of the law enforcement agencies [both US and Canadian] this will be an effective way of increasing public safety as opposed to spending billions of dollars on what might be the cost of infrastructure" (Subcommittee on Immigration and Claims, 1999: 18). More cooperation is most definitely necessary to deal with the problems of transnational organised crime, and its continued growth.

How to Achieve Greater Cooperation

For all of Canada's history as a country, it has had a cordial and cooperative relationship with the United States. This relationship is evident in every facet of government operation from environmental policy to strategic security. "Both countries have much to gain by supporting joint and individual efforts to reduce the threats to both Americans and Canadians" (Subcommittee on Immigration and Claims, 1999: 11). Cooperation is necessary to maintain any semblance of security along one of the longest borders in the world. "Through cooperation and technology, the US and Canada have maintained our shared goal of a secure border" (Subcommittee on Immigration and Claims, 1999: 34).

However, a great deal of the cooperation between the US and Canada, at least when trying to combat trans-border crime, has been on an ad hoc basis. Joint operations are formed to deal with single groups of incidents. Sometimes these operations last for a significant length of time, but they remain temporary, with no permanent structure. What is needed is greater long-term temporary operations, or a number of permanent operations. To illustrate this I present three concepts of greater cooperation.

The first concept of greater cooperation would be to establish a joint criminal database that could be accessed by any American or Canadian law enforcement agency. This is an expansion of a plan established by former US Attorney-General Janet Reno. "Shortly after being appointed to the position of US Attorney-General, Janet Reno called for an integration of Federal law enforcement activities which resulted in a joint DEA/FBI database" (Stewart, 1996: 94). The purpose of this international database would be to allow any American or Canadian law enforcement agency access to criminal intelligence developed by any other American or Canadian law enforcement agency. Allowing this kind of access would make all agencies less reactive; they would be able to anticipate criminal activities more often. This is extremely

important as "law enforcement traditionally has been considered by many to be essentially reactive" (Stewart, 1996: 85). This kind of greater cooperation would greatly increase response times for the agencies.

The second concept of greater cooperation would be establish a series a semi-permanent joint operations between American and Canadian agencies. These operations would be assigned to specific geographic areas. The officials assigned to these operations, be they American or Canadian, would be able to operate anywhere within the assigned geographic area, regardless of whether they crossed a border or not. This would mean that a smuggler could not escape the RCMP by crossing the border to the US, because he would still be in the geographic area assigned to the joint operation as a whole. The same would go for the US Border Patrol. There is an example of this currently underway, though it is not so all encompassing. The DEA and the RCMP have a joint operation underway in British Columbia to combat the trafficking in marijuana. The DEA agents are able to operate within British Columbia with full rights. They are, of course, still subject to Canadian laws, including the Charter of Rights and Freedoms. It is this kind of increased cooperation that could provide a deterrent to trans-border crime, as there would be fewer places to hide from law enforcement officials.

The third concept of greater cooperation that I wish to present is the establishment of a single, bilateral organisation whose purpose is to combat transnational crime along the US-Canada border. A template for this organisation is NORAD (North American Aerospace Defense Command). NORAD is a permanent joint Canadian-American military operation. NORAD's purpose is to monitor the globe for possible strategic security threats to North America's aerospace. If a threat is discovered, NORAD details an American and/or Canadian military response to that threat. I propose that something similar could be established for the Canada-US border. A permanent Canadian-American law enforcement operation could be established in either Canada or the United States. Its purpose would be to monitor activity along the border for possible transnational criminal activity. It could also be tasked to develop criminal intelligence information and to analyze that data. Officials from each of the law enforcement agencies, in both Canada and the US would staff the joint operation. By grouping all the efforts into one large operation, greater cooperation and efficiency is achieved. This suggestion has been made for how to improve Canada's efforts to combat domestic crime. James G. Stewart suggests that, "a single organization may best serve Canada's criminal intelligence needs" (1996: 44). I contend that something similar could work transnationally as well.

Conclusion

Transnational organised crime is a significant threat to both Canada and the United States. In promoting openness and free trade, both countries have had to deal with an exponential growth in trans-border criminal activities. These activities include illicit drug trafficking, illegal migration, contraband smuggling, and terrorism. The US and Canada have made numerous cooperative attempts to combat these activities, but all have been on an ad hoc basis. What this paper has tried to establish is the need for greater cooperation between the two countries. It has also tried

to establish the necessity of making that cooperation more permanent, with a greater scope of operation; in other words, less for ad hoc purposes than for general protection of the security of the border.

Whatever happens regarding the level of cooperation between Canada and the US, the relationship they have is encouraging. It shows that effective cooperation to combat transnational crime is possible. It provides the United Nations with a working example with which to convince state governments to ratify the UN Convention against Transnational Organized Crime. Perhaps the relationship of Canada and the US will help to develop multilateral cooperation to combat what is essentially a global security threat, not just a regional one.

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Energy Wars and Canadian-American Relations,
or,
Lessons from History

by

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The United States (U.S.) Presidential election was barely decided, with George W. Bush being declared the winner on 14 December 2000, when Canadian newspaper editorials and headlines declared that "Canada faces energy war with U.S."[1] The talk of a potential energy war between Canada and the U.S. continued well into the new year. The main issue is the opening of the Arctic National Wildlife Refuge (ANWR) in Alaska for oil and gas exploration and development; a move Canada does not support. How should Canada deal with this issue? How should Canada respond?

This paper proposes that in order to respond to and deal with a potential energy war between Canada and the United States, it is necessary to understand the historical dimension of previous energy conflicts between the two neighbours.[2] What kind of energy disputes has Canada had with the U.S. in the past? Why did they come about and how were they dealt with? What is the Canadian-American record for settling bi-national energy wars? What can we learn from history that will inform and guide the decisions for today? Is there really a potential for an "energy war" with the U.S., and if so, how do the energy provisions of the North American Free Trade Agreement (NAFTA) influence and affect possible courses of action? This study will examine the similarities and differences between past and present circumstances and policy options with respect to Canadian-American energy relations. The discussion will consider the policy options available to policy makers in the past and present. The analysis will outline the basic events of Canadian-American energy relations in four sections: Pierre Trudeau and the first energy crisis, 1974 to 1979; the second energy crisis and the Trudeau National Energy Program, 1980 to 1984; Canadian deregulation under Brian Mulroney; and finally, where the Canadian-American energy relationship is now and why.

Before discussing the events in Canadian-American energy relations over the past 30 years, it might be useful to outline the various policy options and policy processes available to governments throughout this period.

Policy Options

(A) Neo-Conservatism/Neo-Liberalism: Increase trade to the U.S. to reap the benefit of higher prices, build more pipelines to transport increased exports as well as to better supply domestic markets, allow world prices and the free market to prevail even in the domestic market[3];

(B) Protectionism: Shelter domestic consumers from high world prices by consuming domestic resources at reduced price, consume only domestically produced resources (which means making the domestic resources accessible to consumers with pipelines), decrease exports to preserve supply;

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[1] Alan Toulin, Chris Wattie and Michael Higgins, "Canada faces energy war with U.S.", National Post, 16 December 2000; "Energy Wars", editorial in National Post, 18 December 2000.

[2] In order to keep the scope of this paper manageable, the term "energy" means oil and gas and excludes electricity, coal and nuclear energy.

[3] It is difficult to find a suitable definition or explanation that distinguishes clearly between these two over used schools of thought. I combine them here because the two ideologies promote the same economic principles, but seem to differ on social policy issues. Since it is economic issues that are of concern here, it seems sensible to combine the two to avoid repetition.

(C) Economic Nationalism: provide incentives and subsidies for Canadian corporations to buy out foreign companies operating in Canada, provide incentives and subsidies for Canadian corporations to explore and develop new resources, create a national oil company that would purchase interests from foreign companies and develop crown lands.

Policy Process Options:

(1) Communication/Consultation: Consultations or meetings with trade partners and interest groups, such as provincial governments, regarding changes to policies that would have detrimental effects on the partner;

(2) Unilateral Action: Develop policy internally among a small group of people and implement unilaterally, with no communication or consultation with other parties until after the fact;

(3) Internal Generation: Formulate policy within standard bureaucratic structures;

(4) External Generation: Formulate policy outside standard bureaucratic structures.

Energy Conflict: Pierre Trudeau and the First Energy Crisis, 1974 to 1979.

Historically, Canada's main concern has usually been to secure access to large markets in order to export its surplus of resources. With the case of oil and natural gas Canada looked to the U.S. to purchase its surplus because of cheaper transportation costs and greater probability of industry profit. However, until 1988, Canada never seriously considered a more comprehensive arrangement, even though there was no certainty or guarantee that the U.S. would always exempt Canada from its import restrictions. Indeed, the U.S. in 1972, in what appeared to be a capricious manoeuvre, withdrew Canada's exemption in oil and gas, and imposed severe quota restrictions and import taxes.[4] This move by the Americans, coupled with the oil crises of 1973 and 1979/80 led to a significant shift in Canadian energy policy.

After the initial oil price shocks in 1973, the minority Liberal government took a number of haphazard steps to deal with the problems that increased prices would have in Canada:

> . . . in quick succession, the government imposed oil export controls, similar controls over the export of refined products, announced the extension of the Interprovincial oil pipeline to Montreal, froze domestic oil prices, levied an export tax on crude oil, developed an oil import compensation scheme to protect consumers dependent on imported oil, considered and rejected acquiring a subsidiary of one of the major multinational oil companies, and contemplated the imposition of oil rationing.[5]

The Liberal government also declared that it was going to increase the amount of research into developing the oil sands and establish a national oil company, Petro Canada.[6] Alberta was angry

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[4]United States Government, Department of Energy, United States Energy Policy 1980-1988 (Washington: Department of Energy, 1988), 140.

[5]Bruce Doern and Glen Toner, The Politics of Energy: The Development and Implementation of the National Energy Program (Toronto: Methuen, 1985), 91.

[6]Ibid., 92. See also, Peter Foster, The Blue-Eyed Sheiks (Toronto: Collins, 1979), 141. A few months prior to the OPEC crisis, Energy, Mines and Resources Minister Donald MacDonald produced the policy document An Energy Policy for Canada - Phase I. It suggested that the Canadian government consider creating a national oil company that could undertake expensive exploration activity in Canada where private industry might not choose to invest.

and offended that the federal government was interfering in a provincial sphere of responsibility, and saw the actions as a way to divert revenue from the province while simultaneously forcing Alberta to subsidize the eastern provinces. The American response to these policies was shock. The U.S. felt betrayed that Canada would not only charge it world prices for exports, but also reduce the amount of oil exports to the U.S.[7]

These various federal initiatives not only created a great deal of tension between Ottawa and Canada's largest oil producing province, Alberta, but they also sought to confirm the basis of Trudeau's "Third Option" by considerably reducing Canada's reliance upon the U.S. as the primary market for Canadian oil and gas.[8] Eventually, an agreement was reached between Alberta and Ottawa regarding pricing and revenue sharing which generated an uneasy and brief truce until the second oil crisis hit in 1979/1980.[9] The result for the "Third Option" was that oil and gas exports to the U.S. dropped dramatically, particularly after the second oil crisis, as the Liberal government sought to keep the resources for Canadian use rather than for export.

The major issue for Canadian -American energy relations in this period was U.S. accessibility to Canadian oil and gas. Trudeau's government had decided to phase out exports and make Canada self-sufficient in energy.[10] Further, Canada's National Energy Board continued to pass requirements for long term natural gas contracts to pay increased prices for the fuel. This meant that the U.S. would have to find an alternative to the one million barrels of oil a day it received from Canada, as well as an alternative to the increasingly more expensive Canadian natural gas. The former was partially taken care of by increasing the oil output at Prudhoe Bay, Alaska. The latter issue was to be managed by building a natural gas pipeline from Prudhoe Bay, through Canada, to the lower 48 states.

Ottawa was eager to facilitate the movement of Alaskan gas to the U.S., especially if it meant a pipeline would be constructed through Canada using Canadian products, services and labour. Several proposals were put forward, but the final two were the Mackenzie Valley (Arctic Gas) and Alaska Highway/Dempster Lateral (Alcan/Foothills) pipelines. Large public hearings were held in Canada and the U.S., and the Canadian government established a royal commission, headed by Justice Thomas Berger, to examine the socio-economic impact of the Mackenzie Valley pipeline. When the U.S. could not reach a decision on which proposal was best, it was left for Canada to decide. Influenced by environmental and aboriginal interest groups, the Berger Commission "recommended no pipeline – ever – on the Arctic Gas route along the coastal plain and across the Arctic [National Wildlife Refuge], and no pipeline up the Mackenzie Valley for ten years, to allow the settlement of Aboriginal land claims."[11] The final decision was left to the

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[7]Foster, Blue-Eyed Sheiks, 137-141. See also, Earle Gray, Forty Years in the Public Interest: A History of the National Energy Board (Vancouver: Douglas & McIntyre, 2000), 52-55.

[8]United States Government, Energy Information Administration, Monthly Energy Review, September 1999, Table 3.3e

[9]Doern and Toner, Politics of Energy, 89-92, 180-185.

[10]At this time, Canada still operated under Diefenbaker's National Policy which employed the Ottawa Valley line . The area East of the Ottawa Valley relied upon imported oil, while the are West of the Ottawa Valley received oil from the Western provinces, mainly Alberta.

[11]Gray, Forty Years in the Public Interest, 69.

National Energy Board and it accepted Berger's recommendations: the Foothills Alaska Highway pipeline proposal, with modifications, was approved.

The federal government tried to speed up the approval process to convey to the U.S. that Canada supported the pipeline, thus ". . . in July 1980, the prebuilding of the southern section of the line from Alberta gas fields to U.S. markets [was affirmed]. Ottawa also approved new exports of natural gas through the prebuilt section."[12] Unfortunately, by the time the United States went through the myriad of hearings and lobbying to approve the pipeline and its company, oil and gas prices dropped significantly and investors lost confidence in the venture. In the end, the American portion of the pipeline was only partially built.[13]

Interestingly, both countries sought shelter from the nastiness of oil price increases in the creation of the International Energy Agency (IEA). This international organization was founded by many of the European, Asian and North American countries that felt helpless in the wake of OPEC's actions. The IEA was meant to provide a foil to OPEC by encouraging member countries to share resources in a time of crisis, among other things. The actual effectiveness of the organization as a foil to OPEC is questionable. It seemed to provide more of a psychological benefit to the member countries instead of effective influence on world markets.

___The period between 1972 and 1979, punctuated by the first energy crisis, was the first real energy dispute between Canada and the U.S., but it was not a war. Although both countries implemented price controls and joined the International Energy Agency, the shock of the energy price increases left both countries floundering to find ways to shield their industries and consumers. The world economic situation, with its subsequent recession and rise in inflation, created the environment in which governments and interest groups interacted. The outcome, grudging acceptance of each countries' policies, was facilitated by a levelling of prices after 1975. This reprieve in the energy dispute was only temporary as tensions rose again with the 1979/80 Iranian revolution and subsequent dramatic increase of oil prices.

Policy Options and Processes Followed:

Trudeau chose Protectionism (B) and Economic Nationalism (C) as policy options. Some incentives were given to Canadian companies for exploration and development, but they were not very comprehensive, and a state oil and gas company, Petro Canada, was created. The policy process after the first energy crisis was internal generation (3) with some minor consultation/cooperation (1) with Alberta. This resulted in the agreements with Alberta.

Lessons:

- Sparse communication between Canada and the U.S., and navel gazing policies that do not consider the potential effects of the policies on neighbours, cause great harm to bilateral relations and trade.

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[12]Doern and Toner, Politics of Energy, 100.

[13]Robert L. Bradley, Jr., Oil, Gas and Government Vol. I (London: Rowman & Littlefield, 1996), 913. Only 1/3 of the American portion was completed before financing difficulties buried the project.

- Protectionism is expensive and is usually ineffective, especially with respect to energy. Sheltering consumers from high prices only delays the development of conservation methods and more efficient energy consuming devices.
- Although there was some attempt to cooperate with respect to the Alaskan Highway pipeline, the U.S. fumbled the initiative with endless delays for approvals that, in the end, caused investors to dump the project.

First American 'Energy War': Pierre Trudeau and the Second Energy Crisis, 1980 to 1984.

In 1980, oil prices were at an all time high. In keeping with the policy put in place during the first energy crisis, the Canadian government further reduced exports to the U.S., and sanctioned subsidized imported oil for Eastern Canada so that the region would pay the same price as the area west of the Ottawa River which relied on cheaper Canadian oil. Therefore, Alberta was forced to sell its oil domestically at an average price of $15.75 per barrel, about 40 percent of the world price. The federal government believed that it needed to take some kind of action that would not only protect the consumer but would also provide more revenue for the federal government to finance its energy initiatives. The result was the National Energy Program (NEP) which was announced on 28 October 1980.

The NEP was created in great secrecy with little or no consultation with the provinces and industry. The primary goal of the NEP was to achieve energy self-sufficiency in Canada by 1990. Energy security was to be achieved by increasing Canadian ownership and participation in the oil and gas industry, at the expense of the mostly American owned Multi-National Companies (MNCs), finding new sources of Canadian oil and gas, and increasing the federal share of oil and gas revenues. Numerous taxes and regulations were introduced[14] and the Canadian Oil and Gas Lands Administration (COGLA) was created to administer exploration and development on Canada Lands (federal lands including the Arctic and offshore areas). Following exploration, any production from the Canada Lands had to be done by a firm that had a *minimum* of 50 percent Canadian ownership. All companies holding interests on Canada Lands had to renegotiate their exploration agreements with the COGLA and return 50 percent of their lands to the Crown.[15] However, the NEP was quite similar to the previous Canadian reaction to an oil crisis except this time it created an even more complicated regulatory structure:

> Rather than decontrolling energy prices, as the United States was soon to do and as the IEA was urging all member countries to do, the NEP legislated 'made-in-Canada' petroleum prices. As earlier Trudeau energy policies had done, the NEP made lower Canadian prices possible by government regulatory control of domestically produced oil and natural gas prices, a tax on exports, and controls on the volume of exports. It also subsidized the cost of oil imports to refineries in Eastern Canada in order to maintain a single, 'made-in-Canada' price for oil across the country.[16]

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[14] New taxes included the Petroleum Compensation Charge (PCC), the Oil Import Compensation Program (OICP), the Natural Gas and Gas Liquids Tax (NGGLT), the Petroleum and Gas Revenue Tax (PGRT), and the Canadian Ownership Charge (COC).

[15] Government of Canada, Department of Energy, Mines and Resources, The National Energy Program (Ottawa: Supply and Services, 1980). For a complete description and breakdown of the various taxes and regulations please refer to the NEP document.

[16] Edward A. Carmichael, Energy and the Canada-U.S. Free Trade Agreement (Toronto: C.D. Howe Institute, 1988), 7.

The federal government under the Liberal party created policies "aimed at protecting its consumers by guaranteeing that Canadians have priority access to domestic energy supplies."[17] Exports of natural gas to the U.S. were frozen at the then current rates, and exports of oil were reduced significantly while prices were subsidized for Canadians.

The Alberta government responded vigorously to the NEP. It reduced oil production and shipments to Eastern Canada, in three stages, by 60,000 barrels per day. It launched a court challenge to the NEP on the grounds that federal taxation on exports of provincially-owned resources was a violation of the constitution. In addition, the Alberta government withheld approval of new oil sands and heavy oil projects.[18] The final result of Alberta's retaliatory actions was the 1981 Energy Accord, or Canada-Alberta Energy Agreement.

Ottawa's changes to the NEP were not limited to the 1981 Canada-Alberta Energy Agreement. It also made other changes that were due to pressure from the larger oil companies and the U.S. government. As a result of its fear of American retaliation, Ottawa modified its Canadianization plan before the United States even carried out a single action against Canada. The Canadian government announced, at the end of 1981, two changes to the NEP in Bill C-48, the Canada Oil and Gas Act.

First, it offered an "ex-gratia" payment to companies for the Crown taking the 25 percent interest in Canada Lands. Second, it changed the wording of the project-tendering section so that Canadian companies would not receive preferential treatment over foreign companies for supplying mega-projects.[19] Canada also assured the U.S. that "the NEP would not be applied to other sectors of the economy . . ." as outlined in the Throne Speech, and the Foreign Investment Review Agency (FIRA) was not going to be expanded to the extent they had originally foreseen.

But the American government felt that the changes were inadequate and demanded more concessions, "'to get Exxon off their backs,'" particularly, when the first ten months of the NEP demonstrated a significant drop in the foreign ownership of the oil industry in Canada from 74 percent to 66 percent.[20] The American response is reflected in the words of Granatstein and Bothwell: "The Americans thanked the Canadians kindly, and asked for more."[21] Not surprisingly, the Canadian response was swift and to the point: if the United States was not satisfied it could take Canada to court because no other changes were going to be made.[22]

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[17]Robert N. McRae, "Canadian Energy Development," Current History, March 1988, 117.

[18]Bruce G. Pollard, "Canadian Energy Policy in 1985: Towards a Renewed Federalism?", Publius, (Vol. 35, Spring, 1991), 166. See also Kenneth Norrie, "Energy, Canadian Federalism, and the West," Publius (Vol. 14, Winter, 1984), 88.

[19]DEMR, NEP: Update 1982 A Summary (Ottawa, Supply and Services Canada, 1982), 31; see also Doran, Forgotten Partnership, 231 - 232.

[20]Stephen Clarkson, Canada and the Reagan Challenge (Toronto: James Lorimer & Co., 1985), 33. Clarkson does not clarify who made the Exxon statement. The Canadian takeovers also caused a problem because Canadian capital was being used to purchase foreign companies which meant that the money was flowing outside of Canada. In 1981, the outflow of equity investment was $11.4 billion, or 3.5 percent of Gross National Product (GNP). (Doran, Forgotten Partnership, 233. See also J.L. Granatstein and Robert Bothwell, Pirouette: Pierre Trudeau and Canadian Foreign Policy (Toronto: University of Toronto Press, 1990), 325.)

[21]Granatstein and Bothwell, Pirouette, 326.

[22]Clarkson, Canada and the Reagan Challenge, 42 - 44.

The crisis concluded in the first half of 1982 when the United States requested consultations with Canada, through formal General Agreement on Tariffs and Trade (GATT) talks, regarding certain aspects of the Foreign Investment Review Agency (FIRA) that the Americans felt violated the agreement. Any decision made by GATT would not contain punitive sanctions, but the appearance was that the United States was taking some sort of action. Perhaps this was more for the benefit of the American businessmen and Congressmen who had been pressuring the American government to do something, rather than as an actual threat against Canada.[23] The final concessions made by Canada by February 1982 included a request that the banks slow down the rate of Canadian takeovers; the government dropped plans to give Canadian-controlled firms preference in gas exports; and it removed the power of Canadian companies to force out foreign shareholders. Nevertheless, the NEP had caused a considerable amount of tension not only between Ottawa and the provinces but also between Ottawa and the industry and the United States.[24] Despite the modifications to the NEP, it remained mostly intact and in effect until 1985 when the Progressive Conservative (PC) government implemented a new energy policy which aimed to dismantle the burdensome regulatory regime of the NEP.

Policy Options and Processes Followed:

Trudeau followed a very similar, but more comprehensive and thorough approach, as before. He chose Protectionism (B) and Economic Nationalism (C) as policy options. Numerous taxes and export restrictions were implemented. Many incentives were given to Canadian companies to buy out foreign investors and companies at a time when interest rates were at record highs which would have serious repercussions in the mid 1980s. Comprehensive incentives were also provided for exploration and development on federal lands. The policy process to develop the NEP was internal generation (3) and unilateral action (2). There was no hint of consultation/cooperation (1) until after the policy was implemented.

Lessons:

- Again, sparse communication between Canada and the U.S., and navel gazing policies that do not consider the potential effects of the policies on neighbours, cause great harm to bilateral relations and trade.
- Really irate Americans can compel Canadians to make adjustments, but the NEP provisions such as the 25% back-in, can be thought of like bargaining tactics: put an extreme position on the table and wait and see what the opposing side will propose as an alternative. One can say that the NEP was based on the philosophy that 'It is better to beg forgiveness than ask permission'.
- Policies created internally, in secret, and with little consideration of, or consultation with, interested parties, such as provinces or trade partners, can have long term negative consequences that outweigh the short term gain. If this is coupled with unilateral action, as in the case of the NEP, the ramifications can be even more far reaching.[25]

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[23]Ibid., 80 - 81.

[24]Norrie, "Energy, Canadian Federalism, and the West," 81.

[25]This applies more to Ottawa's relationship with Alberta than the U.S.

- As mentioned earlier, economics creates the environment in which governments and interest groups interact, therefore, some effort must be made to understand the nature and duration of the economic forces that affect bilateral energy trade.
- Finally, when the ruling parties of Canada and the U.S. have conflicting ideologies, some effort must be made to communicate policy concerns and intentions.

Brian Mulroney and the Conservative Energy Policy: 1983 to 1993.

The NEP had soured the Canadian-American relationship, enraged the producing provinces, and infuriated the oil and gas industry. Although the PCs did not make energy the focus of the 1984 election campaign, energy policy was certainly a priority before, during and after the election. In addition to the negative view of the NEP from the United States, Western Canadians believed that the Liberal party's NEP discriminated against them, and the oil and gas industry viewed the NEP as an unnecessary government intrusion into their business: these interests wanted the NEP dismantled.[26] After Brian Mulroney was elected as leader of the opposition in the spring of 1983, he appointed Patricia (Pat) Carney as opposition energy critic. Her task was to develop a Canadian energy policy that would dismantle and replace the NEP, and she did so while in opposition.

Based on the recommendations of various task forces or study groups assigned and coordinated by Carney while in opposition, the government under Mulroney dismantled the NEP through the Atlantic Accord, Western Accord, Frontier Policy and Agreement on Natural Gas Markets and Pricing.[27] The four documents, representing the different elements of Canadian energy policy, deregulated various aspects of the oil and gas industry by phasing out or eliminating all of the NEP taxes and regulations including the controversial 25 percent "back-in". The goal was to allow market forces to prevail, but in each policy document the federal government retained a *force majeure* clause which would allow the Canadian government to protect consumers in the case of extraordinary fluctuations in world oil prices. The major obstacles for Canadian-American relations, that had been put in place by the NEP, were dismantled.

Within one year of becoming Federal Minister of Energy, Mines and Resources, Pat Carney and the PCs had successfully dismantled the NEP, reached amicable agreements with all of the producing provinces, and indirectly improved Canadian-American relations. Where previous governments had, over time, increasingly advocated more and more regulation of the oil and gas industry, the Mulroney PCs sought to reduce government interference and allow market forces to prevail. They eased federal-provincial tensions and improved the Canadian-American relationship by creating an energy policy that allowed the provincial governments to control their resources, decentralized Ottawa's control over the oil and gas industry, and no longer hindered exports to the U.S. or discriminated against American companies.

However, all of these policy changes did not prevent the possibility of another NEP being implemented by a future government. Therefore, the Mulroney government, in a dramatic

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[26]Clarkson, Canada and the Reagan Challenge, 71-81.

[27]For a detailed discussion of the Conservative energy policy making process between 1983 and 1986 please see Tammy Nemeth, "Pat Carney and the Dismantling of the National Energy Program," (M.A. Thesis, University of Alberta, 1997).

departure from traditional Canadian policy, sought to curtail future Canadian governments from developing any similar discriminatory policies in the future. The method chosen was a continental energy arrangement – the energy chapter in the Canada-U.S. FTA.

How exactly do the FTA energy provisions secure deregulation of Canadian and American energy trade? Neither country can impose price controls on oil and natural gas, establish a two-tiered pricing system, or impose import or export charges, without levying the same amount on domestic consumers. [sec. 902/903] Both countries may continue to provide government incentives for oil and gas exploration and development, but investors must be treated fairly in both countries. [ch 16 sec 1602/1605,sec. 906] Regulatory changes affecting the other country must be discussed by both countries before being implemented. This is meant to discourage discriminatory regulations. Canada gains access to Alaskan oil, which is forbidden from export to any other country. [Annex 902.5] Both countries limit the regulatory actions available to them through the proportional sharing arrangement so that neither country can arbitrarily cut off exports to the other country in a time of crisis or conservation. The reduction must maintain the same proportion of export to supply as averaged over the previous 36 months. Since Canada exports more oil and natural gas than it imports from the U.S., this provision is often considered to be more favourable for the U.S. than for Canada. [sec. 904][28]

Five years later when the North American Free Trade Agreement (NAFTA) was negotiated, the energy chapter of the FTA, as it applies to Canada and the U.S., was transplanted *in toto* to NAFTA under Chapter Six "Energy and Basic Petrochemicals."[29] Although the energy provisions remained the same for Canada and the U.S., they applied differently to Mexico. Phrasing and annexed exceptions were included for Mexico that included certain products, licenses, and so on which do not apply to trade between Canada and the U.S. Basically, "the treatment of the Mexican energy sector under the Agreement does not parallel that between the United States and Canada."[30]

Part of the complication in the NAFTA energy chapter (which is a continental energy agreement, just not as comprehensive as some would like) is the special provision of energy and PEMEX, the Mexican state energy company, in the Mexican constitution. The state is given exclusive jurisdiction over all resources and mineral rights, this means there are no individual resource property rights. In the 1930s Mexico nationalised the oil industry and created Petroleos Mexicanos or PEMEX to develop Mexican oil resources. This is why it negotiated the following exemptions: exempt from treating investors fairly in both countries [Annex 602.3]; exempt from

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[28]Government of Canada, Department of Foreign Affairs and International Trade, The Canada-U.S. Free Trade Agreement (Ottawa: Supply and Services, 1988), Chapter 9 Energy and Chapter 16 Trade and Investment. The energy chapter also recognizes other energy agreements or arrangements such as the IEA [sec.908], provides a clearer definition of national security [sec. 907], and establishes a formal dispute settlement or grievance board [sec.905].

[29]The text may be found at a number of different websites as well as in the library. For example, the Canadian Department of Foreign Affairs and International Trade has the full agreement on its website:**http://www.dfait-maeci.gc.ca/nafta-alena/agree-e.asp** [last accessed 23 April 2001].

[30]G.C. Watkins, "NAFTA and Energy: A Bridge Not Far Enough?" in Assessing NAFTA: A Trinational Analysis, ed. Michael Walker and Steven Globerman (Vancouver: Fraser Institute, 1993), 206.

restricting import/export licenses on certain petrochemical products [Annex 603.6]; exempt from Proportional Sharing; Mexico exempt from National Security Measures [Annex 607.2].[31]

After dismantling the controversial NEP the Conservatives decided to take an even greater policy leap by negotiating the Free Trade Agreement with the U.S., and with it, the continental energy policy found in Chapter 9 of the agreement. The FTA and NAFTA were the crowning achievements of the Mulroney period.[32] Faced with the most severe recession since the 1930s, Canada, in the early 1980s, existed in an atmosphere of uncertainty with respect to the prosperity of its economy. [33] Since oil and natural gas fuel the economies of both countries, Canada sought to guarantee access to the large American market while the U.S. sought a secure supply. After a decade of regulatory intervention by both the Canadian and American government's on their respective oil and natural gas industries, both countries, in the 1980s, came under neo-conservative leadership who believed that there should be little government intervention and regulation in the economy. Both Canada and the U.S. believed that markets rather than protectionist forces should prevail, and sought a comprehensive bilateral agreement to ensure that the deregulation of the oil and gas industry would be difficult to reverse. Even though both Canada and the U.S., by the time the FTA was being negotiated, had undertaken initiatives to deregulate their respective oil and gas policies, the energy chapter within the FTA served to ensure that discriminatory taxes and regulations could not be implemented by future governments without renegotiating or terminating the agreement. This was a profound alteration of traditional Canadian policy.

Policy Options and Processes Followed:

Mulroney charted a far different course than Trudeau. Mulroney chose the Neo-Conservative/Neo-Liberal approach (A). The NEP was dismantled and the FTA and NAFTA were negotiated which include a continental energy arrangement. The goal was to liberalize trade energy trade relations and allow market forces to prevail. Export taxes and price controls were eliminated. The policy process to dismantle the NEP was based in large part upon consultation/cooperation (1) and external generation (4) which was then implemented using internal generation (3). The process was almost opposite to what had existed before.

Lessons:

- Energy prices are unpredictable, and perhaps even cyclical. In the early 1980s analysts predicted that prices would be $80 per barrel by 1990, but by 1986 they had dropped below $15 per barrel.
- Serious consultations with interested parties enable a government to develop policies that are sensitive to the parties' concerns. Cooperation can also provide government with an additional knowledge base to draw upon.

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[31]Available online, **http://www.dfait-maeci.gc.ca/nafta-alena/agree-e.asp** [last accessed 23 April 2001].

[32]The crowing achievements of the Mulroney era were discussed in some detail at the Free Trade at Ten conference organized by the McGill Institute for the Study of Canada in May 1999. Speeches, select papers and studies are available online: http://www.freetradeat10.com [last accessed 23 April 2001].

[33]Bruce Doern and Brian Tomlin, Faith and Fear: The Free Trade Story (Toronto: Stoddart Publishing Co., 1991), 19.

- Communication and cooperation between the governments of Canada and the U.S. can alleviate tensions and facilitate trade arrangements that benefit both countries.
- In times of relative prosperity, following the Neo-Conservative/Neo-Liberal ideas of increased trade relations and allowing free markets to prevail, can be beneficial.

Second American Energy War? Jean Chrétien and the Liberal Policy, 1993 to Present.

What is Canada's current energy policy? Canada's current energy policy is the Conservative policy managed by the Liberals. It uses very similar language with a few updates like "Sustainable Development". For example, under their Policy section Natural Resources Canada describes their policy as follows:

> Canadian energy policy is market based and oriented toward sustainable development and is no longer narrowly concerned with production and supply issues. Today, it is more aligned to the broader economic, environmental and public interest goals of the Canadian and world economies.[34]

One difference is that Canada is now involved in more international energy initiatives. For example: the APEC Energy Working Group, the G7 Energy Working Group, and the Hemispheric Energy Initiative to explore potential policies for the Free Trade Area of the Americas (FTAA).[35] How the FTAA provisions will affect NAFTA are yet to be seen.

The most baffling aspect of the Canada-U.S.-Mexico energy arrangement in NAFTA are the recent comments by officials calling for the creation of a continental energy policy (CEP). At the beginning of April, Prime Minister Chrétien spoke to the Canadian Association of Petroleum Producers in Calgary about the need for a continental energy agreement and other trade related issues. Robert McRae, an energy economist from the University of Calgary who attended the luncheon said in the National Post, "Quite frankly I am puzzled by what is referred to as a continental energy policy because that's what I thought we had." [April 7, 2001] I agree with Professor McRae: The FTA/NAFTA energy chapter, articulates a continental energy policy. Thus, when Canadian, American, and Mexican politicians speak about *creating* a continental energy policy, I too am a little confused. Perhaps if they were saying that they wish to *improve* the continental energy policy that is already in place, then I would not feel as bewildered. As mentioned earlier in this paper, Mexico is exempt from many of the provisions that govern Canada-U.S. energy trade. Thus, the CEP is not ideal, and it could be improved by having Mexico operate under the same rules as Canada and the U.S.

There have been no real points of contention between Canada and the U.S. until perhaps now. The election of Bush as President, with his commitment to opening up ANWR and increasing America's energy security, the Canadian government expressed some unease. Canada has been against the opening of ANWR for at least 20 years for environmental reasons.

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[34]Available online, **http://www.nrcan.gc.ca/es/policy_e.htm#** [last accessed 23 April 2001].

[35] The APEC energy group has four objectives: Fostering a common understanding on regional energy issues, Facilitating trade and investment in the energy sector, Reducing the environmental impact of the energy sector, Acceptance of equivalence in accreditation and harmonisation of energy. Available online: **http://www.apecenergy.org.au/welcome/background/plan/index.html** [last accessed 23 April 2001].

What is so important or special about ANWR? ANWR sits on the Alaska/Yukon border, and the region considered to have the most potential for oil and gas is called the "1002 area". In 1998, the U.S. Geological Survey (USGS) estimated that this area has approximately 7.7 billion barrels of producible oil and 35 Trillion Cubic Feet of natural gas.[36] Of the 20 million acres that comprises the refuge, the 1002 area is only 2000 acres. But it is the most sensitive and densely wildlife populated area in the entire refuge.

ANWR is a diverse and sensitive arctic area where there is a massive Caribou calving ground, polar bear dens and other wildlife particular to the area. It was set aside as a wildlife refuge by President Eisenhower in 1960. In 1980, it was expanded to nearly double in size under the Alaska Lands Act, but the Act also "authorized a study of the oil and gas potential of the northern part of the Refuge."[37] Resource companies claim that they can drill under the area in an environmentally friendly manner. Some environmentalists argue that attempts to "revegetate" areas around drill sites and pipelines have not worked, and that the damage will take decades to heal, if ever.

Proponents of opening ANWR on the American side suggest that Canada does not want it developed because we are afraid of the competition. Canada is called hypocritical for not wanting the development due to protecting the environment. One source claims that Canada drilled all over the Caribou calving grounds and found nothing and then turned it into a national park. Is there any truth to these suggestions? There is no doubt that the ANWR oil and natural gas would compete with Canadian exports to the U.S. However, the whole point of an American energy policy, at least from the policy document issued by the Republicans for the election, is to reduce America's dependence on middle east supplies. Therefore, the U.S. is more likely to decrease its imports from the middle east rather than from Canada. As for the drilling on the Canadian side, documents from the Yukon government indicate that only two wells were drilled near the shore outside the current national park area in the 1960s. A look at the placement of all the 71 sites in the Yukon show that few wells are drilled anywhere near the calving grounds on the Canadian side. Furthermore, the most dense calving areas are in the ANWR 1002 zone.

Could the ANWR situation truly turn into an energy war? Yes and no. Canada is very much against ANWR development, therefore, if the U.S. presses ahead with their plans then Canada will be upset. However, there is little retaliatory action that Canada can take due to constraints agreed upon in NAFTA. To understand Canada's situation better, it will be useful to examine the similarities and differences of the current circumstances to past events.

Similarities to past events:

- The turning point is the significant increase in oil and gas prices over the past two years which has thrust the world economy into a down-spin. When the prices were low, the U.S. increased its imports from foreign, mainly OPEC sources, although Canada and Mexico increased their exports to the U.S. as well. On the American side protectionist forces are

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[36]Available online, **http://resourcescommittee.house.gov/106cong/fullcomm/anwr-tps.htm** [last accessed 23 April 2001].

[37]Available online, **http://www.r7.fws.gov/nwr/arctic/descrip.html** [last accessed 23 April 2001].

calling for the U.S. to decrease its dependency on foreign supplies, with Canada and Mexico not really being considered foreign, but still calculated as foreign suppliers.

- With the push for the U.S. to be less reliant on OPEC sources, there is renewed interest in opening up ANWR and constructing pipelines to move oil and natural gas from Arctic areas to the South. In fact, the same two pipeline proposals that were short-listed in the 1970s are being considered again.
- Chrétien follows the same the ideological position that the Conservatives did when it comes to liberalizing trade, (maintaining open and free markets); this will affect the policy options available.

Differences to past events:

- The single most important difference is that there is an international agreement in place - NAFTA - that governs the continental energy trade. This also guides the policy options available to Canada in a potential dispute with the U.S.

Despite the numerous similarities of past and current events that have resulted in energy disputes between Canada and the U.S., the current situation is very different because of NAFTA. There is little likelihood that the U.S. will try to limit its imports from Canada, nor will Canada try to limit its exports to the U.S. In the past, when an economic downturn occurred, protectionist walls went up to shelter Canadian or U.S. consumers. This time, governments have combatted the sudden increase in oil and gas prices by providing rebates directly to consumers who need it, rather than constructing elaborate price and export controls. So, what lessons have we learned from the past that we could employ in the context of the current situation?

Lessons from Past Events:

- Protectionism does not work; unilateralism with no consultation may have some short term gains, but in the long run can do more harm than good.
- Protectionism is expensive and is usually ineffective, especially with respect to energy.
- Energy policy must be developed with the long term rather than the short term in mind.
- The United States has a tendency to be oblivious to how their policies affect or impact Canada. Given Bush's affinity with Mexico, he may be even more oblivious than most.
- Communication between Canada and the U.S. of policy concerns and intentions is essential for good relations and to avoid an energy war.
- Including interest groups in discussions and policy formulation enhances the chance for success, however the governments' responsible for developing the policy must also have clear and focussed terms of reference to guide the energies of participants.

Recommendations for current situation:

- Canada should stay its course of trade liberalization and allowing markets to prevail. All previous attempts to exert some kind of governmental control over the energy economy has not worked. This is **not** to say that there should be no regulations governing the energy trade. What it **does** say is that energy prices fluctuate. They may be high for the next year or so, but they will probably decrease in the future – at least until oil and natural gas become more scarce. The advantage of higher prices is that people will tend to conserve more energy, more

money is put into researching and developing alternative fuel sources, and more fuel efficient vehicles and other items.

- Canada should work with territorial governments, Aboriginal peoples, environmental groups, and industry representatives to develop a comprehensive, accurate and **fair** assessment of Canada's concerns with the development of ANWR. It should be made clear to the U.S. that it is only neighbourly for them to discuss their policy intentions with us.
- The Canadian government also needs to demonstrate some leadership by facilitating interdepartmental policy development for this issue so that Canada can speak to the U.S. with one voice rather than six. (The federal interests concerned about the development of ANWR span National Resources Canada, Indian Affairs and Northern Development, Environment Canada, Parks Canada, Foreign Affairs and International Trade, and Intergovernmental Affairs.)
- Although the ANWR issue is a domestic policy decision for the U.S., it does have bilateral implications. In addition, Canada and the U.S. have a non-binding arrangement to discuss ANWR development. Canada needs to take advantage of this and make a very clear and fair case for our concerns.
- If, after Canada makes its case the U.S. proceeds with ANWR's development, what are Canada's alternatives?
- Some argue that Canada could cut back on its energy exports to the U.S. or implement some other kind of retaliatory measures, but NAFTA constrains our ability to take such punitive actions. Therefore our policy options in the event of a real energy war with the U.S. are limited to pressing for discussion and consultation.
- Canada could deny approval for a gas pipeline to run through Canada from Alaska. The likely American response is to just run it to Valdez and build a Liquid Natural Gas (LNG) plant to convert the gas to liquid and ship it south. Although that is an expensive alternative, if prices remain high for an extended period that could be make a LNG venture profitable. In the long run, this might cost Canada more than the U.S. A pipeline running through Canada would employ many Northern Canadians, purchase Canadian goods, and it could make it viable to connect spur lines to ship Canadian natural gas. But there are also proposals for Canadian pipelines which could replace the American line. This would favour the North West Territories, and devastate the Yukon.
- Finally, Canada should not believe the rhetoric of the American government that there is an energy crisis. This hype is a tactic to convince the American public to support the development of ANWR and should be countered with tangible information demonstrating how it is misleading. I will end this paper with an interesting statistic: Gallons per day that the proposed drilling of Alaska's Arctic National Wildlife Refuge is projected to yield : 42,000,000; Gallons per day U.S. oil consumption would drop if SUVs' average fuel efficiency increased by 3 mpg : 49,000,000.[38]

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[38]Available online, **http://www.harpers.org/harpers-index/listing.php3**, the source for the former number is the White House and for the latter it is the Sierra Club (Washington).

Despite all the hype about a potential energy war, the Canadian-American relationship is in pretty good shape. The FTA and NAFTA have made our countries more aware of each other, and there seems to be more communication between the varying levels of government organization. Frankly, the newspaper and television reports that promoted the idea of a conflict between Canada and the U.S. were/are most likely exaggerated in order to create a controversial and sizzling story. Canada and the U.S. have a strong relationship and it can only grow stronger if communication and cooperation continue in the realm of energy policy.

Asserting Aboriginal and Treaty Rights: First Nation's Rights to Natural Resources; Transboundary Challenges for Canada — U.S. Relations

by

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In the free trade era, economic relations between Canada and the United States depend less on agreement and more on negotiation and management of risk. Disputes over softwood lumber or pacific salmon illustrate inherent differentials in political power and economic advantage and the accommodations necessary in the trade and management of national and transboundary resources. Added to the already complex and changing dimensions of this relationship are similar dynamics emerging between the federal and provincial governments in Canada and First Nations asserting their Aboriginal and treaty rights to share in the continent's resources. Increasingly, First Nations can point to the potential liability of excluding them from the negotiating table.

A growing incentive for the Government of Canada is based not simply on legal or moral calculations of risk. The over-riding economic imperatives of clarity and predictability, to secure markets, encourage investment and promote trade requires that governments seek to avoid disputes over rights, authority and title which might lead to confrontation and disruptions in commerce.

Last year's lobster fishery dispute in Burnt Church, New Brunswick, is the latest confrontation in the deep rooted conflict between the federal government and First Nations, centred around treaty and Aboriginal rights to land and natural resources. Events over the last decade have shown the willingness of First Nations to demand recognition of these rights, and in doing so, they have been supported repeatedly by the Supreme Court of Canada. This paper explores some of the recent and historical events, documents and legal decisions supporting First Nations' claims to natural resources in Canada, focusing on emerging conflict dynamics these claims have created and approaches which may assist in understanding and addressing associated risk management challenges for Canada - US trade relations.

The Canada – US Pacific Salmon Treaty Negotiations

The 1985 Canada – US Pacific Salmon Treaty, is a good example of the new dimensions which assertion of Aboriginal and treaty rights brings to the Canada – US trade relationship. It also highlights the different approaches taken by the United States and Canada in negotiating an equitable sharing of this billion dollar transboundary resource[1].

In talks leading up to the treaty, the American side was represented by a coalition of interests from Washington, Oregon and Alaska, which included 24 Treaty Native-American tribes from adjoining northwestern states[2]. In contrast, Canadian delegations reflected federal management of fisheries and provincial responsibilities for natural resources, representing of the combined interests of the British Columbian fishing industry as a whole, not specifically those of coastal First Nations. Considering the relative economic power of the parties in negotiations, the differences in approach between the United States and Canada, in the incorporation of Aboriginal interests, is noteworthy.

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[1]Munro, 1998, p.3.
[2]*Ibid.* p.18.

Initially, the treaty seems to have provided some degree of predictability and equity, but over the next ten years the dynamics of the salmon industry shifted. By 1995, Canada found itself supporting Washington/Oregon/tribal interests, as Alaskan fishers began to dramatically increase their catches[3]. Two years later, tensions between the various stakeholders had escalated to a point where Canadian fishers showed their anger and frustration with the burning of an American flag and the blockading of an Alaskan ferry[4]. The Alaskan ferry incident crystallized the risk associated with further confrontation and an uneasy truce in this "fish war" was eventually reached - an eminent persons report recommended development of "practical frameworks" and consideration of "side payments" as a means of resolving American coalition and Canadian frictions[5].

On the surface, an earlier1990 Supreme Court of Canada ruling in *Sparrow v. R.*, confirming an Aboriginal right to fish and limiting federal regulatory powers, did not appear to have much with the Canadian government's calculations of risk during on-going negotiation of this conflict. Interestingly, the broader economic implications of the *Sparrow* decision showed up at almost the same time in allocations of salmon attached to treaty negotiations concluded with the Nisga'a Nation of northwestern B.C. in 1998. *Practical frameworks* and *side payments* may in fact have been an important, if coded, acknowledgment of new dimensions and players in this transboundary fishery, and an attempt to manage changes in Canada - US trade relations, without formally accepting them.

Major Resource Developments in Canada Affecting First Nations

The lack of First Nations representation in these transboundary resource negotiations might be surprising, given the gradual evolution in consultations and consideration of First Nations interests in major resource developments over the past thirty years.

In the early seventies, development of several major hydro dam projects were launched on northern rivers of the Prairie provinces without appropriate environmental review, consultation with resident First Nations communities, recognition of Aboriginal title or compensation[6]. But in Quebec, the provincial government's eagerness to proceed with the massive James Bay hydro-electric project, combined with local Aboriginal resistance, resulted in the 1975 James Bay and Northern Quebec Agreement and the enabling *Cree-Neskapi Act*. The first self government agreement in Canada, the federal legislation divided Cree traditional territories into several zones on which local First Nations have varying degrees of control. Natural resources and resource management, however, remained firmly in provincial hands, with no Cree veto on resource development, and thousands of square kilometres of territory under water[7].

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[3]*Ibid.* p. 31
[4]*Ibid.* p.32
[5]*Ibid.*pp.32-33.
[6]Crampton, 1990, p.2-4.
[7]Bartlett, 1990, p.157.

The eastern James Bay Cree - after protest - made a calculation that traded an unrecognized Aboriginal claim to vast tracks of land in northern Quebec in return for limited governance of the territory surrounding First Nation community sites, administration of local and regional services and hundreds of millions of dollars in direct and indirect compensation from the federal and provincial governments. Effectively, the provincial government, with little federal interference and considerable financial assistance, succeeded in purchasing agreement to tap the hydro-electric generating potential of northern Quebec, to supply US power needs. But in the process of securing control of this resource, the conflict dynamics between First Nations and other governments were altered. Relative power imbalances continued to be extreme, but perhaps now were more susceptible to movement through legal and public relations challenges.

Shortly thereafter, the Berger Commission's consultations with First Nations and Inuit on a proposed gas pipeline over traditional territories in the Mackenzie Valley of the Northwest Territories, further changed public expectations of how major resource development projects should proceed. While "economic conditions" not empowerment of local residents were claimed as the reason for suspending gas pipeline development[8], Berger's recommendation that a ten-year moratorium be placed on all pipeline development was never accepted by the federal government. The Norman Wells pipeline below the Mackenzie River, carrying oil through Alberta to American markets was later developed, but only after extensive consultations with Aboriginal communities, respecting local environmental concerns and employment interests[9].

The importance of these events to Canada - US relations was underscored in the early eighties, when Hydro Québec prepared to expand its northern generating capacity with further proposed flooding. James Bay Cree mounted a successful national and international public relations campaign and related law suits, scuttling the redevelopment, and prompting cancellation of power contracts in northeastern states, in the face of public disapproval.

Unfortunately, not all resource developments since have lived up to this new standard of consultation. Plans to develop a kraft pulp mill on the Athabasca River in Alberta in 1990 displayed an earlier and more common disregard for First Nations interests. After a provincial environmental assessment review board would not approve development until more impact studies were completed, the Alberta government chose instead to strike a new assessment panel, announcing its continued support for the pulp mill project[10]. Nevertheless, by setting the standard for consultations with and participation by resident communities in the resource development decision-making process, the Berger Commission became a watershed in the incremental acknowledgment of First Nations treaty and Aboriginal rights.

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[8] Crampton., p.6.
[9] *Ibid.* p.10.
[10] *Ibid.* p.9.

Recognition of First Nations Treaty and Aboriginal Rights

Historically slow to recognize First Nations claims to a share in Canada's natural resources, federal and provincial governments actively undermined these rights for more than century, while asserting their own[11].

The concept and existence of Aboriginal title was not of immediate concern. Division of powers under the *British North America Act* gave the federal government responsibilities for "Indians and Lands reserved for Indians", as well as control of all unceded Crown lands. However, the imperatives of opening up the country for settlement and economic development, securing Canada's sovereignty against threats by American interests, encouraged assertion of provincial authority over natural resources, and a gradual transfer by the federal government of most of the Crown land within their jurisdictions.

The significance of these transfers for First Nations, has been enormous. The provinces, commonly not signatories to the numbered treaties signed with First Nations in the nineteenth and early part of the twentieth century, had no particular interest or incentive in recognizing Aboriginal title. Even on reserves held in trust by the federal government, Aboriginal title was considered to be a collective right, not extending beyond occupation and use of the land. Natural resources remained within the provincial domain and, when necessary, federal legislation and regulations were amended to facilitate mining exploration or land expropriation[12].

This status quo only began to seriously erode in the early 1970s, after an abortive attempt by the Trudeau government to phase-out the treaty rights of Aboriginal peoples[13]. This was followed closely by the 1973 Supreme Court decision in *Calder v. R.*, agreeing that the Nisga'a Nation's claims to Aboriginal title over their traditional territories had not been extinguished. Despite a split decision in *Calder*, the ruling provide momentum to the Crees of northern Quebec in their own battle for recognition of title[14].

Rulings supportive of Aboriginal and treaty rights accelerated after their existence was affirmed in Section 35 of the1982 *Constitution Act*. Canadian courts and Supreme Court rulings continued to uphold and expand the definition of these rights - challenging the federal and provincial governments to keep pace. In their1984 *Guerin* decision, the Supreme Court ruled that the federal government had a specific fiduciary obligation to be accountable for its handling of lands set aside, "for the use and benefit" of First Nations[15]. The *Sparrow* decision, mentioned earlier, spoke to the traditional Aboriginal right to fish and limited the federal authority to regulate. In 1996, the *Van der Peet* ruling cemented a broad interpretation of federal fiduciary duty and the

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[11]Barlett. p.139
[12] *Ibid.*
[13]Foster, 1989, p.439.
[14]Barlett, p.77.
[15]*Ibid.* p.194.

paramountcy of First Nation interpretation in areas of ambiguity[16]. In its landmark 1998 decision in *Delgammuukw v. B.C.*, the Supreme Court accepted Aboriginal oral tradition, defining Aboriginal title as a legally enforceable collective right to land, as well as acknowledging a range of other Aboriginal interests in land and resources, including oil, gas and mining exploration, *on and off* reserve. Just as significantly, *Delgammuukw* also recognized federal jurisdiction over unsurrendered Aboriginal title lands[17]. Finally, in its 1999 *Marshall* rulings, the Court further reaffirmed the recognized treaty right to fish, as well as defining a commercial right to make "a modest living" from this activity[18].

The sum total of these and other legal decisions has been a major reorienting of the concept of Aboriginal title and First Nation's rights to natural resources. As a result, First Nations are in an increasingly strong position to assert these rights, with all the accompanying uncertainties for federal and provincial authority, commercial interests and Canada-US relations.

The Federal Response

Predictably, the federal government's response to legal recognition of Aboriginal and treaty rights has been measured. From denial of Aboriginal rights to natural resources, the federal government has moved slowly off of the notion of "occupation and use" as defining Aboriginal title, to the current acceptance of resource rights on-reserve. At the time, the James Bay and Northern Quebec Agreement may have been considered generous acknowledgment of First Nations claim. In comparison, the recent Nisga'a Treaty is another quantum leap. Further recognition is still to to be determined.

Federal strategy might best be characterized as one of risk containment. Given earlier definition of federal fiduciary responsibility in *Guerin*, the potential loss of authority contemplated by a *Delgamuukw*-style recognition of Aboriginal title and rights has yet to be reconciled in policy.

Starting from the recommendations of the Penner Report, a 1983 parliamentary review of Indian self government which called for a third order of government in Canada, the federal response a year later was introduction of Bill C-52, the *Indian Self Government Act*. Though never enacted, this federal proposal was the blueprint for the *Sechelt Indian Self Government Act* in 1986. The Act established a municipal style of government and granted the First Nation nominal management of the reserve's natural resources - subject to provincial interests and jurisdiction[19].

The federal government has also experimented with the *Indian Act*'s limited authority to transfer control and management of resources to First Nations. Sections 53 and 60 of the Act allow the Minister of Indian Affairs some discretionary powers to delegate management of resources on-reserve, but efforts to utilize this power of devolution have not appeared to meet First Nations'

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[16]Worme, 1999, p.16
[17]Nahwegahbow, 1999, p.4.
[18]Worme, p. 52.
[19]Bartlett, p.164.

expectations. Obstacles of this sort have lead to two program reviews, one, by the Department in the late eighties and largely rejected by First Nations, the other, a more recent and on-going attempt, part of an Assembly of First Nations / Indian and Northern Affairs Canada Joint Initiative focusing on federal Lands and Trusts Services policy development[20].

Paralleling federal attempts to come to terms with First Nations treaty and Aboriginal rights, are separate but related negotiations of specific and comprehensive land claims. While this topic is well beyond the practical scope of this paper, a few comments are needed. First, federal comprehensive claim policy has historically been based on the notion of extinguishment of rights once a claim is settled. Second, in most specific claims, financial compensation to a First Nation is commonly offered in lieu of claimed land or as a means of purchasing substitute real estate.

The two most notable comprehensive claim are the creation of the Nunavut Territory and the signing of the Nisga'a Treaty. Nunavut creates a public territorial government, but also sets aside Inuit-controlled lands. A resource royalty sharing system is also in place, as are mechanisms to ensure consultations with resident communities prior to oil, gas or mineral exploration[21]. The Nisga'a Treaty extinguishes any Aboriginal rights and title not set out in the treaty, but provides for Nisga'a ownership of 1,992 square kilometres and all forest and sub-surface mineral resources. Land title is held by the Nisga'a, not the federal government. Resource management is shared with the federal and provincial governments, the Nisga'a receiving an annual allocations of wildlife and 26% of the Canadian Nass River total allowable catch of salmon[22]. The Nunavut and Nisga'a agreements in some respects represent innovative accommodations by the federal government in its treatment of the concept of Aboriginal title and First Nations rights to natural resources. In other ways, they continue a consistent policy intended to contain the associated financial risks and threats to its authority posed by a recognition of Aboriginal rights.

Other recent federal programs and initiatives have tried to balance a recognition of Aboriginal and treaty rights with provincial reluctance to relinquish management of and the revenues from natural resource extraction. In 1999, the *First Nations Land Management Act* created the legislative authority by which fourteen pilot communities can develop the necessary land and environmental codes to take over land management of their reserves and natural resources. A Lands Advisory Board is currently helping to facilitate development of these codes and management models[23]. While potentially a major opportunity, the Act is controversial in that First Nations participation has so far been restricted, funding is uncertain and resource management is strictly limited to the on-reserve land base. Other more widely accessible departmental options include programs aimed at expanding First Nations participation in the on-

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[20]Nahwegahbow, 1999, p.20.
[21]Nunavut Land Claims Agreement, 1993, pp. 203, 211.
[22]Nisga'a Final Agreement in Brief, 1998, pp.1-7.
[23]Nahwegahbow, 1999, p.21.

reserve management in the forestry and exploration sectors. An additional Resource Access Negotiations program assists First Nations involvement in off-reserve resource exploitation projects[24].

The image taking shape is one in which the federal government is increasingly required to recognize First Nations claims to land and natural resources through negotiated and legislated agreement, but despite a broad range of mechanisms to do so, has yet to find the ones that accomplish this to the satisfaction of most First Nations. The *Delgamuukw* decision also creates new and potentially enormous challenges and risk as it opens up the possibility of First Nations assertion of Aboriginal title to vast unsurrendered territory in western Canada, especially in the mostly untreatied province of British Columbia. The Nisga'a Treaty is only the first of many treaty negotiations which may call into question the ownership of land and management of natural resources. For commercial interests involved in resource extraction on licensed Crown lands, the uncertainty and risk this no doubt generates would currently be hard to calculate. Canada - US trade relations may be similarly challenged in the predictable future.

Assertion of First Nations Rights to Natural Resources

In examining First Nations assertion of rights and related challenges, however, natural resources cannot be separated from claims to Aboriginal traditional territories or the inherent to self government. Confusing the intrinsic and the financial value of land and natural resources may have contributed to a misrepresentation of Aboriginal title and rights in the first place. Notions of collective rights and the sharing of the natural resources contained in the numbered treaties also may not have translated well into Euro-American concepts of ownership of property. Nonetheless, despite this conflict of worldviews, Aboriginal rights exist, and are, to some degree, already legally enforceable.

Reviewing the events over the past quarter century which have contributed to a recognition of treaty and Aboriginal rights is not particularly useful if only those events relating directly to natural resources are considered. Rights have been at the heart of every dispute, court challenge and outbreak of violence between First Nations citizens and federal and provincial authorities.

If the *Calder* decision and James Bay Cree protests against hydro construction can be used as markers at the start of First Nations assertion of land rights, the armed stand-off at Oka, Quebec in 1990 signaled a new plateau in the intensity of conflict which might used to defend or curtail these rights. A dispute over a sacred burial ground and the expansion of a golf course escalated into the exchange of gunfire, the shooting of a Quebec provincial policeman and the calling in of the Canadian army. After several tense weeks, the barricades eventually did come down and expansion of the golf course was halted, but in the aftermath of Oka, part of the intended resolution of the deeper conflict this event came to symbolize was creation of the Royal Commission on Aboriginal Peoples (RCAP).

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[24]Worme, p.35-43.

The Royal Commission, co-chaired by George Erasmus, former National Chief of the Assembly of First Nations, spent six years holding meetings across the country, consulting with First Nation community members and Canadians generally. Its recommendations and five volumes of findings delivered in 1996, outlined a twenty year, twenty billion dollar plan for renewal of the relationship between First Nations and rest of Canada and the realization of self government. The federal government's response *Gathering Strength*, in late 1997, in turn provided sweeping apologies to Aboriginal peoples and hundreds of millions in additional funding for Aboriginal health, healing and governance initiatives.

Whether RCAP or the federal response will be successful in addressing the level of frustration and accumulated grievances in the years leading up to Oka remains to be seen. Throughout the nineties, logging roads and highways across the country continued to be blockaded by First Nations demonstrating against the clear-cutting practices of forestry companies, the environmental contamination of their communities and territories, the inadequacy housing and social services and general federal neglect. In the most violent episodes, disputes between protesters and authorities over sacred ceremonial grounds in B.C. and ancestral lands in Ontario left one unarmed Aboriginal man dead.

Last Fall, three years after *Gathering Strength*, First Nations lobster fishers in Burnt Church, New Brunswick, clashed with RCMP and Department of Fisheries enforcement officers on the waters of Miramichi Bay, fishers throwing rocks and insults, officers confiscating lobster traps and ramming boats. At issue was the right of Burnt Church First Nation and other First Nations to self regulate its own participation in the billion dollar east coast lobster fishery, independent of federal authority.

The Supreme Court's *Marshall* decision and subsequent clarification were interpreted differently by both Burnt Church First Nation and the federal government to acknowledge an existing treaty right to a natural resource *and* the right to manage it. The confrontation quickly became a national rallying point for First Nations, attracting daily media attention for weeks in the summer of 2000. The aggressive federal response to Burnt Church fishers' challenge to its authority was predictable, vividly showing the differences in political power between the two parties and the ability of the media to act as a balancing agent. The ill-timed attempt at mediation in the Burnt Church dispute by former Ontario Premier Bob Rae also contributed to the picture of a crisis either out of control or being carefully choreographed by both sides, hopefully to their own advantage[25].

The similarities in the level of tensions seen in Burnt Church and those at the height of the pacific salmon dispute in British Columbia are striking. But in the pacific salmon dispute, side payments appear to bought an uneasy peace. With the stakes just as high on the east coast, the federal government has offered a familiar solution: a $500 million program to purchase boats, equipment and licenses for First Nations fishers, in return for agreement to abide by the federal

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[25]Mathewson, 2000, p.4.

authority to regulate. Thus far the local First Nations reaction to the perceived attempt to purchase treaty rights and respect for federal authority has met with defiance, setting the stage for a second round in this dispute this summer.

Approaches to Change

A new federal self government policy in 1995, RCAP and *Gathering Strength* may have encouraged a change in thinking and approach by Department of Indian Affairs and some new opportunities for First Nations, but the issues fueling further court challenges and confrontations continue to exist, generating a growing liability, well beyond the resources of any single government department to address.

How coming events may impact Canada - US trade relations and the incentives for the federal government might now be clearer. First Nations willingness to assert their treaty and Aboriginal rights to share in natural resources is not so much a legal or moral discussion anymore, it raises significant economic uncertainties and risk for governments, challenging their own continued authority to manage or reap the benefits of natural resource extraction on Aboriginal title lands. Broader Aboriginal interests will also need to be considered in discussions over timber licenses and exploration rights. For all concerned, new power relationships are currently forming.

Learning from past court battles in B.C. that have followed a pattern of claim / blockade /injunction of logging operations until the claim was settled[26], major lumber companies in the province are encouraging First Nations participation in the development of resource management plans. While stumpage fees continue to be paid to the province, these companies may, perhaps wisely, be anticipating a changing future.

For the federal government, several options exist in recognizing the potential liability and managing the risks of confrontation and economic disruption. As noted, federal government policy already supports various legislative and program efforts to enable First Nations to gain title to, manage or receive the benefits of resource extraction on-reserve. It is also actively involved in comprehensive claim or treaty negotiations, the model framework for which, in terms of governing powers, land title and resource management sharing arrangements, is currently the Nisga'a Final Agreement. Resource-sharing and consultative mechanisms have been built into the Nunavut Agreement. Proposed amendment or replacement of the *Indian Act* with a new *Governance Act* expected in the Fall of 2001.

In anticipation of this new federal initiative, what is thus far missing in policy, legislation or institution are a workable specific claims settlement mechanism or the means to explore the full implications of the *Delgamuukw* decision. These gaps might fall under the headings of process, participation and recognition.

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[26]Foster, p.567.

The current specific claims process is an uncalculated and growing liability for the federal government. Unaddressed First Nations grievances with respect to treaty obligations breed continued conflict. Recognition of treaty rights and responsibilities by the courts reinforces Aboriginal claims. The incentive for the federal government to address the issue of specific claims as expeditiously as possible is very real. A federal proposal in 2000, to establish an independent claims tribunal unfortunately was viewed by First Nations as too limited in its authority.

A process for joint federal - provincial - First Nations exploration of *Delgamuukw* is another priority if economic uncertainties and confrontation are to be avoided. One option is policy development through the AFN/INAC Joint Initiative. Another may be the initiation of a *sustained dialogue* between First Nations and the federal and provincial governments on a broad range of resource management and environmental issues. A pre-negotiation method, *sustained dialogue* is may be a means of re-building the fractured relationship between First Nations and other governments, addressing the issues which are at the core of this protracted social conflict.

There is also major federal incentive to ensure First Nations participation in all governmental and inter-governmental discussions and negotiations on land and resource issues. Future plans to develop or expand hydro dams in northern Manitoba and Labrador, as well as proposed transboundary natural gas pipeline projects to meet US power needs raise familiar questions of environmental impact, economic development and investment opportunities, consultations and compensation - and the potential for conflict. Prime Minister Chretien's comments at the Summit of the Americas in Quebec City regarding Canada's willingness to supply American power needs, might well be tempered by a recognition of Aboriginal title and a commitment to include First Nations in international discussions, resource development planning and project implementation. A recent example of Aboriginal representation were negotiations to create a migratory birds convention. Expanded First Nations participation would likely pay dividends.

The Free Trade Area of the Americas is a grand vision for hemispheric trade which builds from the Canada - US Free Trade Agreement. But before developing this vision further Canada might well consider how First Nations assertion of their Aboriginal and treaty rights might affect the outcome. The ironies contained in the difficulties which Canada and the United States have experienced in sharing the transboundary salmon resource should not be overlooked. In this instance Canada plays the comparatively weaker role, negotiating with an economic giant, but protected by its national sovereignty. In the case of First Nations - Canada relations, the roles are reversed. In the assertion of treaty and Aboriginal rights to resources and their recognition, Canada might learn from its relations with the United States. There is a powerful incentive to do so.

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America, Canada and ANWR: Inter-state relations and Indigenous struggles

by

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If we do indeed live in a global village, then as Canadians, we also live in an American neighbourhood – and lately, it would seem that our American neighbours are getting anxious about increasing energy demands within their borders. While the Bush administration supports drilling for oil and gas in the coastal plain area of the Alaska (or Arctic) National Wildlife Refuge (ANWR)[1], the Canadian government opposes oil extraction that will threaten the Porcupine Caribou herd upon which the Vuntut Gwich'in First Nation (VGFN) in the northern Yukon relies. Meanwhile, the Inupiat Eskimos of Kaktovik, the only village in the refuge, support careful development that promises to bring them much-needed jobs and opportunity.

Thus there are many sides and layers to the ANWR debate. Given the multi-dimensions of the debate, this paper considers how Canadian/Gwich'in and American/Inupiat interests coincide and collide. This paper asserts that American-Canadian relations are best understood when viewed through the lens of local indigenous[2] struggles, *to the extent that* they provide great insight into the present state of bilateral relations and form an important part of the overall debate. This is significant because it demonstrates the extent to which Canadian-American relations and indigenous struggles are both shaped by the finite availability of natural resources and global environmental concerns.

This paper is divided into two main areas of study. First, the present thrust of American policy-making is examined in order to contextualize the current forces shaping American-Canadian relations. Next, this paper shifts its focus to the local level to see how the same issues challenging America and Canada are amplified when placed in front of indigenous struggles in the ANWR region. In the end, the aim of this paper is to draw attention to the potential threat a new nationalistic orientation in American policy-making may pose to Arctic harmony and ecology. It concludes by considering challenges this new direction may pose to Canadian foreign policy as well as spaces in which Canadian leaders may challenge the American plan.

The Bigger Picture: Globalization and America's national interests

First, it is important to understand the forces currently shaping American and Canadian relations, being national and international as well as circumpolar. Most notably are the forces of globalization that have prevailed over the past two decades. As national interests have converged, changes in the fundamental relationship between markets and states have occurred. To this end, the key processes of global transformation have been largely economic in nature. To date, both Canada and the United States have been actively involved in the project of globalization with domestic policies tearing down trade barriers, deregulating markets and attracting investment

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[1]This is necessary, they claim, to decrease American dependence on foreign imports –but, in the article, "Alaska or bust", the *Economist* argues that "The (Bush) administration also believes, or says it believes, that America needs energy independence. That goal, tirelessly promoted by the domestic oil lobby, is unattainable. American's energy demands are far too large, and its energy reserves (including all of Alaska) far too small, for this ever to be achieved." February 10, 2001, p. 22.

[2]For the purposes of this paper, the term "indigenous" will refer specifically to the Inupiat Eskimos and the Gwich'in (also spelled Gwitchin) peoples who are the native inhabitants of this area.

dollars. To a large extent, foreign policy in both nations has also been shaped by globalization[3] and targeted at maintaining the stability of the market place by promoting a global equilibrium, reinforced through peace missions, trade talks and multi-lateral agreements. For instance, Canada has worked in conjunction with the United States to establish a North American free trade zone as well as address some of the more critical events that have threatened our inter-connected world, including working towards Middle East peace and policing the Balkans. In the past decade, both Canada and the United States have also recognized that the politics of globalization also highlights the importance of the circumpolar world.

No longer a remote locale, the Arctic is increasingly a significant factor in world affairs.[4] As global forces, like technologicai change, hemispheric trade and resource scarcity, bring the Arctic into the fray of international issues, they similarly present new challenges to the region. For instance, growing global awareness of the important ecological role played by the North has brought attention to issues of pollution like persistent organic pollutants (POPs). This has led Arctic-rim nations to work together to seek international solutions to threats facing the global community. For their part, the United States has played a critical role in the defense of the natural wilderness of the Arctic, as evidenced by the Clinton administration's opposition to drilling for oil in the protected ANWR region.[5] Clinton also brought America to the table of the Arctic Council[6], lending its economic and political strength to the circumpolar forum. But after many years of global activity and participation, things in America are changing under the guidance of the new Bush administration.

Since the Bush administration took office in January there has been a fundamental shift in the United States' approach to matters both national and international. While hands-on brokering and mediation of international conflicts marked the Clinton era, the Bush administration clearly seeks to disengage and appears to be in a state of diplomatic retrenchment. For example, while the Clinton administration made tentative gestures towards Iran, the Bush administration demonises Tehran as recipient and purveyor of threatening weapons and policies.[7] Bush's foreign policy centres on pursuing self-defined strategic interests and appears concerned only with "rogue nations", which concern in turn functions to provide popular support for the Bush national missile defense (NMD) program.[8] Hence the global focus of the Clinton administration has been

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[3]Claire Turenne Sjolander, "Through the Global Looking Glass: Canadian Foreign Policy in an Era of Globalization", *Centre for Foreign Policy Development.*

[4]Dozens of national leaders will meet in Quebec City April 20 to 22 (2001)for the next round in a series of talks about creating a massive free trade zone, from the Arctic to Chile. They hope to have a deal in place by the end of 2005. http://cbc.ca/cgi-bin/templates/view.cgi?/news/2001/04/07/trade_papers010407

[5]In 1995, Clinton vetoed a bill that would have permitted oil and gas development in the ANWR region.

[6]The Arctic Council, founded in 1996, is the only major intergovernmental initiative for the Arctic involving all eight Arctic States. It has two primary objectives: first, to promote environmental protection; and, second, to promote sustainable development of the indigenous people and other residents in the context of preserving the environment. www.state.gov/www/global/oes/oceans/arctic_council_est.html

[7]"Bush needs the bad guys", *Guardian Weekly*, March 15-21, 2001. P. 14.

[8]"Instead of offering a hand, he cries "mad mullahs!" and demands more missiles." *Supra.*

replaced by "a hard-headed focus on US national interest".[9] The Bush administration's stance on foreign policy can be understood in the context of the end of the long U.S. economic boom as well as a republican backlash to the perceived "pseudo-policy of establishing a US 'presence' without a defined mission in troubled spots".[10] Thus, foreign policy, now restricted to intervention overseas only when a vital interest is involved, seems to be eclipsed by domestic policy that is focussed on protecting economic, energy and defense needs.

The most worrying aspect of the new U.S. administration, though, may not be its apparent withdrawal from the international world or its attention to defence but its attitude toward the global environmental crisis.[11] Bush has publicly cast doubt on the reality of global warming, thereby breaking consensus not only with scientists, but also a growing number of business leaders. To clarify, the U.S. government has withdrawn its support of the 1997 global warming treaty (also know as the Kyoto agreement), thereby renouncing global efforts to place limits on the heat-trapping gases. In its defense, the Bush administration claimed that they oppose the agreement because it exempts developing countries and would harm the U.S. economy.[12] This renunciation follows the announcement that the Bush administration would not seek limits on carbon dioxide emissions by power plants because the president "was concerned limiting emissions might worsen the current energy crisis…".[13] This position has outraged environmental groups across the nation and has frustrated European and Japanese leaders who made concentrated efforts to try and keep the Kyoto agreement alive.[14] This new anti-environmental stance bodes ill for relations with Canada and the rest of the world.

The national focus and environmental positions of the Bush administration leave the future of Arctic reciprocity in question. Currently the concern stems from the Bush administrations pledge to pursue oil and gas drilling in the Arctic wildlife refuge. Proclaiming that drilling is necessary to remedy the growing domestic energy crisis, the Bush administration simultaneously maintains that drilling would disturb only 2,000 acres of a 19-million acre reserve, thereby dismissing claims that developing resources in ANWR requires a vast despoiling of the environment.[15] In fact, in a recent statement, Energy Secretary Spencer Abraham maintained that drilling in the ANWR will "focus on conservation as well as production".[16] According to President Bush, it is

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[9]John Gray, "Goodbye to globalisation", *Guardian Weekly*, March 8-14, 2001. P. 13.
[10]Martin Kettle, "Bush backs away from the world", *Guardian Weekly*, March 22-28, 2001, p. 6.
[11]*Supra*.
[12]Eric Pianin, "U.S. Aims to Pull Out of Warming Treaty", *Washington Post*. March 28,2001. Page A01.
[13]"EPA head downplays strains over emissions controversy" *allpolitics.com* (www.cnn.com/2001/ALLPOLITICS/03/16/whitman.epa/index.html) p. 2of 2.
[14]According to National Environmental Trust president Phil Clapp, "it only took the president 60 days to walk away from his most specific environmental pledge of the campaign." "Group blast Bush for reversing position on emissions reductions", *allpolitics.com*, (www.cnn.com/2001/ALLPOLITICS/03/14.bush.carbon.dioxide/index.html) p. 1 of 2.
[15]"Cheney defends Bush environmental policies" April 8, 2001 www.cnn.com/2001/allpolitics/04/08/bush.cheney.environment.reut/index.html.
[16]"Bush energy chief promises 'balanced' plan", *allpolitics.com*, (www.cnn.com/2001/ALLPOLITICS/03/19/bush.energy.01/index.html), p. 1of3.

possible to drill and protect the environment at the same time: "We can do both, taking out energy and leaving only footprints."[17] His cavalier approach to circumpolar environmental concerns raises much speculation as to the future security of the Arctic environment. The best evidence he is wrong lies 110 kilometres west of the refuge, in Prudhoe Bay. In this area, oil development turned the region into a huge industrial complex. Reports of damage cite hundreds of open waste pits containing millions of gallons of waste and the destruction of acres of wildlife habitat.[18] In the ANWR case, the Canadian fear is that the 200,000 Porcupine caribou herd will be devastated by oil drilling in their calving grounds and along migratory routes. In response, the U.S. government points to an increase in the Central Arctic herd near Prudhoe Bay, ignoring the fact that these caribou number only 18,000 and are non-migratory animals occupying territory that is twice as long and three times as wide as that of the Coastal Plain.[19] Indeed, the American government and industrial leaders prefer to defend their view that new technological knowledge will eventually overcome ecological problems thereby enabling the continuation of economic growth with fewer environmental penalties. Thus, they choose to dismiss damaging scientific studies and, more significantly, Canada's concern that drilling poses a threat to the animals, the people and the environmental integrity of the region.

Development of the ANWR has quickly become one of the hottest environmental issues in Washington, as well as in the Arctic. For its part, Canada has opposed drilling in the region for 20 years, in support of the Gwich'in who live in the area.[20] When talk of oil development re-surfaced in 1995, the Canadian Ambassador to the United States lobbied that the region should be left pristine to "ensure the future of the shared wildlife populations of the Arctic coastal plain."[21] Other efforts have been launched to try and ensure that the Coastal Plain retains its current status, or more preferably, designated as part of a larger wilderness area. Canada has been a world leader in calling for "sustainable development"[22] and sees this approach as being central to resolving questions about the future of the Refuge region. In assuming this stance, government officials along with northern indigenous residents stress that a new global strategy is needed for sustaining life on this planet- a strategy that includes recognition and the conservation of indigenous values and cultures. In the case of the Gwich'in such protection requires careful management of a major food source, namely the caribou.

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[17]ANWR: Quotes. (www.anwr.org/index.html), p. 1 of 2.

[18]"A position of weakness", www.The globe and mail.com February 5, 2001.

[19]In addition, some suggest that the growth of the Central Arctic herd is also linked to the disappearance of traditional predators.

[20]Canada also continues to push toward improving environmental management in a changing hemisphere while the United States retreats. But Canadians cannot ignore the issue of oil development in the Arctic since approximately forty- percent of Canada's lands lie north of 60 degrees and the northern coastline comprises 68% of Canada's coastal waters.

[21]*Supra.*

[22]According to the working definition set out by the Brundtland Commission in 1987, sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their needs." http://esd.inac.gc.ca/nin/Nindocs/SUSTAINABLEDEVELOPMENT/default.asp

But the most critical portion of the herd's calving ground lies in the Arctic coastal plain of the ANWR, located on the American side of the border. Though the threats to the region associated with production and transportation of oil in the ANWR are primarily local and/or regional, they are also global because of the proximity as well as the priorities of the other Arctic nations. When carefully examined, the differences in the American and Canadian positions on ANWR development can be clearly seen in the differences in perspectives of local Arctic peoples, who are primarily indigenous. In the next part of this study, through the following juxtaposition it is possible to see how local indigenous struggles encapsulate the current dilemma facing Canada-U.S. relations.

Arctic issues and Indigenous struggles: To develop or not to develop?

When we think of the Arctic, we often think of great plains of ice and snow, barren tundra and a world that seems in hospitable, begging the question, who would want to live there? According to former oil executive Harold Heinze, "only for oil would anybody want to go up there".[23] But ANWR, also known as the "Serengeti of the north", boasts a unique ecosystem that is rich in natural wildlife. For thousands of year the Inupiat Eskimo and the Athabascan peoples (in this region they are known as the Gwich'in Nation) have lived in the most northern regions of what we know now as the ANWR Coastal Plain region. They worked together and lived together and shared the caribou that travelled across the land, often travelling with it. They lived in this region before borders were erected and they have a long-history of cross-border co-operation and families who cross-borders, making their relationships more personal than political.[24] Today increasing global, national and local pressures challenge these relationships and the border now signifies a line in the battle for survival. To elaborate, Arctic oil development is not only about finding new sources of energy but also the economic development and/or environmental degradation of local indigenous people. More specifically, in this case, for one Arctic community, economic development promises to alleviate social ills and bring prosperity, infrastructure, jobs and hopes to a community living in "third world" conditions.[25] For another, it represents the end of the way of life for a community that has lived off the land for centuries and whose identity as well as cultural base is intimately linked to its preservation. Thus, though the battle lines may be drawn in the snow, they identify a simple question: to develop or not to develop?

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[23]Vanishing Arctic, p. 62.

[24]Taken from the Minutes of the Arctic Council Senior Officials Meeting, held in Fairbanks, Alaska on April 27-29, 2000. www.arctic-council.org/pmeetings/minutes-fbx.asp p. 2 of 2.

[25]Robert Cox has pointed out that, in an era of globalization, the concept of the "third world" no longer has any clear meaning, "since many of the countries once belonging to it have either found some niche as producers of manufactures, or natural resources (esp. energy)Y" see: Claire Turenne Sjolander, "Through the Global Looking Glass: Canadian Foreign Policy in an Era of Globalization", *Centre for Foreign Policy Development*, p. 6.

A) The Inupiat of Kaktovik –for jobs and money

As is the case for most peoples, change in the patterns of living for the Inupiat peoples has been primarily the result of changes in the economy. Traditionally, Inupiat had a subsistence economy, in which small bands of people harvested plants and animals for food and raw materials. Typically, all band members shared in the system and in this respect the Inupiat culture was communal. Contact with Western society, however, changed the nature of the Inupiat economic system. Four distinct waves of economic activity have occurred in the region between 1890-1975 – whaling, trapping, reindeer herding, post-war construction. Today, it is the potential for oil development that promises increased economic activity to the area.

Throughout the different phases of economic activity, the Inupiat have retained strong cultural ties to the land. For most Inupiat, life without food from the land is unthinkable. For most, life without traditional ties to nature would mean that Inupiat social and economic patterns would have no basis. To that end, preservation of subsistence resources in the area has been a high priority and the Inupiat have actively worked to protect them. Kaktovik residents still use Dall sheep, caribou, fish, seals, whales, eggs, birds and moose, each bearing more importance dependent upon the time of year. The Kaktovik residents were still arguing the importance of protecting the land in the region into the 1980's, maintaining that "oil exploration would disrupt the environmental balance" of the region. They demanded public hearings and some elders even urged development be excluded from the calving areas. But in 1983, negotiations Kaktovik traded their surface rights to about 92,000 acres of the Coastal Plain adjacent to the town for the government's subsurface rights to those same lands.[26] The potential revenues from development of that subsurface region meant that the village was immediately launched into the oil business and they began by allowing Chevron to proceed with some exploration drilling, for a suitable fee.

In Kaktovik, the drive for energy development is associated with bringing cheaper food, more jobs, health care, education and ending poverty and misery of residents of Kaktovik. It is also linked to the prospect of increased revenue and opportunities. With a clear vision of the future, some of the more entrepreneurial people of Kaktovik have decided that their future lies in oil development, not caribou or arctic char. The future, as they envision it, is based on money and oil, jobs and tax money and other associated benefits. There is a sense of urgency about the future as some Inupiat claim: "We can't live without money. If there is no oil around here, people will go hungry. But if the oil people come, more houses will be built and more jobs will open up."[27] But it is not just about jobs to develop the economy. It is also about preserving the community by providing a reason to stay. As one member states, if oil is developed "Then we can stay in Kaktovik rather than having to look for jobs elsewhere."[28] This is the hope that is encouraged by advocates of drilling in the region. But not all of Kaktovik's residents are as convinced of the inevitable benefit of exploration.

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[26]Watkins, p. 79.
[27]"The Inupiat of Kaktovik: Cash and Subsistence Economies", http://arcticcircle.uconn.edu/ANWR/anwrcash.html. P. 1 of 2.
[28]Ibid.

Despite having reservations, most seem resigned to oil exploration as inevitable and opposing it may be too costly in the end: "We don't like exploration, but if we oppose it and they impose it anyway, we get nothing."[29] To that end, the Inupiat maintain that they support careful development. Like the American government, most believe that oil development has been carried out in a responsible manner on the North Slope for the past twenty years and that major technological advances will ensure that drilling in their area will be minimal in its impact on the environment.[30] In their defense, they argue that this is also their home and that they are not going to let it be ruined.[31] Thus, given the promise of small environmental costs and the potential for large economic benefits, the Inupiat choice appears clear and their support for oil development in the region appears guaranteed.

But the credibility of oil development in ANWR is challenged because of the high human and environmental price that Canada believes it will bear. In Kaktovik, in the United States, oil development represents a significant shift in dependency -from unemployment to jobs in the transition from land to oil. But for how long and for what cost? Indeed, Canada also promotes northern oil and gas exploration and development as key components of the future economic well being of northern Canada.[32] But Canada has expressed its concerns with regard to oil development in the ANWR Coastal Plain region because of the potential impact it will have for the Gwich'in people who border the area. In a bi-national context, the case for drilling in ANWR is weakened when short-term benefits for the Inupiat are set against the long-term losses facing the Gwich'in.

B) The Vuntut Gwich'in of Old Crow- caribou or bust

For the most part, the Gwich'in, in this scenario, are portrayed by the pro-ANWR forces as opportunists who "leased their own lands for oil exploration, but no oil was found. (so) Now they oppose the Inupiats having the same rights to explore".[33] The fact remains that the Gwich'in are not opposed to oil and gas development *per se* – they did not oppose development in Prudhoe Bay or in the Mackenzie Delta - but to the development on the calving grounds of the Porcupine Caribou because they depend on it so heavily. The caribou represent the centre of life for the Gwich'in people of Old Crow. The Gwich'in, whose very name means "people of the caribou", depend on the caribou for their main source of food. Each year, all members of the Gwich'in community, young and old, participate in the biannual caribou hunt. These people have relied on the caribou and their migration patterns for centuries. As one Gwich'in man states: "The caribou represents the past, the present and the future of our culture."[34] Thus fear surrounding the ANWR

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[29]"Inupiat and Gwich'in", http://arcticcircle.uconn.edu/ANWR/anwrinup-gwich.html. P. 1 of 2.
[30]At the time of writing, the author could find no hard scientific data to support this claim. It appears to be controversial as to the extent that development will or will not harm the caribou and natural wilderness.
[31]Andrew Phillips, "An issue as clear as oil", *Maclean's*. March 12, 2001, p. 23.
[32]"Oil and Gas in Canada's North: The Canadian North- active exploration and new development" www.inac.gc.ca/oil/bkgd/nor/index_e.html, September 17, 2000. P. 1 of 2.
[33]"Myths: ANWR Information Brief", www.arctic.org. P. 1 of 2.
[34]Anonymous interview, no 1. March 19, 2001.

development stems from a fear for the potential loss of their culture. One man says "I can envision a fate similar to that of the Plains People of Western United States and eventually Canada, when the buffalo were wiped out. The caribou hunt will be the stuff of legends." He adds, "We will still be Vuntut Gwich'in, but we will have nothing to pass on (to) the future generations in terms of demonstrating who we are and why we live where we live."[35]

If they are no longer able to hunt, the lives of the Gwich'in will be forever changed. They will no longer be able to benefit from the exercise and diet the caribou hunt provides. They will be forced to put more pressure on other species for subsistence that may have other adverse environmental effects. The balance that they maintain between modernity and traditionalism will forever be altered, as there is no chance for balance. Proud of their culture, they acknowledge that it has changed with advances in technology and the invasion of the outside world through television. But these changes have been incorporated into the culture and do not derogate from it in any significant way. More immediate threats to their people and culture include the cost of living, which would increase substantially and the potential that they may be forced to develop their land. And to what end? As one Gwich'in writes, "We have witnessed the near collapse of the world economy, through the massive debt of third world countries and the collapse of Asian economies. If this were to happen, no amount of oil, gas and/or gold would feed the world."[36] Thus they fear the end of the calving grounds would be the end of the caribou and, by extension, their culture. They fear that many will leave their home if there is nothing for them, with their community serving no real purpose for those who stay, like many of the poorest communities throughout Canada and around the world. In short, as they continue to rely on the caribou for their food, they are not immune to the problems they see facing the rest of the world and the dangers of relying on non-renewable resources for survival.

In the past, Aboriginal peoples have had little voice in oil development or environmental management in their traditional territories, however legal cases and policy priorities in Canada (re: *Delgamuukw)* have changed that. Today, the Old Crow peoples are gaining strength of voice and are speaking out for their community and their future. This strength is in part due to their ability to blend tradition with modernity. Their ability to micromanage and address local issues has provided the Vuntut Gwich'in First Nation (VGFN) government with the ability to deal with an ever-changing world while at the same time maintain their cultural identity. While the VGFN recognizes the significance of oil and gas exploration and money, they argue that "it does not define the issues we face as a people who have lived in the North Yukon for millennia".[37] In fact, they hold that making decisions based on money or jobs is not always practical for First Nations who wish to maintain their culture or environmentally sound land base for generations to come. Instead, long-term impacts must be considered when making decisions. In addition to internal considerations, the VGFN also recognizes that to be self-governing involves understanding and dealing with other governments. This means trying to understand the

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[35]Anonymous interview, no. 2. March 20, 2001. Transcript, p. 1 of 2.
[36]Anonymous interview no. 2. March 20, 2001. P. 1 of 2.
[37]Joe Linklater, "The Perspective of a settled Aboriginal Land Claim "Stakeholder"- Realities to Date in terms of Oil and Gas operations and exploration" p. 3.

challenges other government's face and trying to assist them in coming up with solutions to shared challenges without losing sight of goals and objectives.

Focussing on a balanced approach to environmental protection and economic development, the VGFN remains very concerned about the timing of oil and gas exploration in the North. The first priority of the VGFN, however, remains the protection and survival of the Porcupine Caribou and the biggest threat, currently, is the possible development of their calving grounds. Fear about their goals being misunderstood stems from the fact that the VGFN realize that the final decision about whether or not to proceed resides in the United States. But, at the same time, "the world is linked together", suggests an indigenous Yukon government leader. "We need to be responsible for one another's well-being and get away from this myth that we are only having little local effects with projects like those on the Alaskan coastal plain." He adds "In today's world, if we harm the land and resources on which we depend, with which we live, then we are harming ourselves."[38] Thus, the VGFN is concentrating on encouraging the United States government to protect the calving grounds. If, instead, the United States allows development in the calving grounds, the VGFN maintain that the U.S. is then knowingly and intentionally bringing harm to an indigenous culture. This is a violation of basic human rights and infringes upon their ability to carry on their culture by a world power as well as by oil companies. Hence, the idea that what is local is also global surfaces as the ANWR case represents yet another example of the logic of globalization challenging national sovereignty and putting profits ahead of people. What appears different, in this case, however, is the potential for the Gwich'in and Canada to be effective in their challenge against the American government and oil companies.

ANWR: Challenges and Challengers

In conclusion, insight into indigenous struggles provides us with greater insight into the current state of bilateral relations. As the Gwich'in focus on the threat drilling poses to the Porcupine caribou and their way of life, Canada considers the environmental impacts. As the Inupiat see oil development as critical to their local economy, primarily through job and tax opportunities, similarly the American government is anxious to prevent their economy from stalling and seeks to resolve a domestic crisis. In these ways, local and national perspectives coincide and on an international basis, they collide. Immediately, the reality that American arctic activity and Inupiat goals will have a direct and adverse effect on Canada and the Gwich'in raises the concern as to how the issue will be handled by these groups.

As globalization has created an increasingly inter-connected world, one where trans-boundary issues sometimes challenge national sovereignty, it is increasingly difficult for nations to protect their interests and maintain key international linkages and honour international agreements at the same time. This is most obvious as America, a global leader in promoting democracy and human rights, withdraws to pursue an America-first agenda. Though maintaining effective working

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[38]"The International Dimension: Canada and the United States", http://arcticcircle.uconn.edu/ANWR/anwrinternational.html. P. 1 of 1.

trans-boundary relations are vital to Canada, America's national focus alters the terrain and sets a new tone for a new era in Canada-U.S. relations. Indeed, as America's domestic needs obscure its foreign policy, America is provoking a new phase in international relations, one exclusively directed by economics, where social and environmental responsibility are disregarded. Thus, while Canada's northern policy acknowledges that international co-operation takes on greater importance in an increasingly "interdependent and globalized world community" it is now challenged by America's desire to insulate itself from its global responsibilities.[39] Given their divergence, not convergence, in their approach to dealing with global issues Canada must find ways to re-calibrate the American focus to include the global environment as part of America's national interest. The challenge that remains now is how to best accomplish this goal.

As members of the Arctic Council, both Canada and the United States have agreed to ensure the protection of the Arctic environment and its sustainable and equitable development, while protecting the cultures of indigenous peoples. Irrespective of this commitment, the council has remained hesitant about addressing problems associated with the utilization of the Arctic's natural resources because this topic is perceived as too politically sensitive for international discussion, which effectively renders the body politically impotent. Thus though new direction in American policy threaten the integrity of Arctic harmony and ecology, there is little opportunity for Canada to approach bodies, like the Arctic council, to hold America responsible for its commitments to both the local, regional and international communities.

To date, the Gwich'in have been successful in promoting public support and awareness for the Porcupine Caribou issue through the implementation of a variety of tactics that have included a "Ten City Tour" across the United States, with help from extensive media coverage and through the involvement of international organizations. This is just the beginning. Ironically, while globalization may be seen as putting profits ahead of people, it may also provides the tools needed to fight injustice at a global level. New technology, increased mobility and a focus on self-reliance mean that new social movements are successfully swaying governments on important ecological issues. Recently, the provincial government of British Columbia bowed to eco-pressure by declaring large portions of the northern coastal area closed to logging in order to protect the habitat of the great white bear.[40] This type of momentum has provided an opportunity for the Gwich'in to bring pressure to bear on the White House. Thus globalization also contains within it space for agency as local groups fight international corporations and foreign governments. As Joachim Hirsch writes, "the struggle for freedom, welfare and democracy and human rights can only be strategically fought on the global plane."[41] This is best achieved through increased international cooperation in which people work together to be reinserted into the globalization equation. In the case of ANWR, this may be the key and forming alliances with significant interests in American society may unlock previously closed doors. Ultimately the

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[39]"The Northern Dimension of Canada's Foreign Policy", Department of Foreign Affairs and International Trade, Executive Summary, p. 1 of 2. May, 2000.

[40]*Macleans*. 2001. April 16. P.18

[41]Joachim Hirsch (1997), "Globalization of Capital, Nation-State and Democracy", in *Studies in Political Economy*. 54: 55.

development of the ANWR region will not be determined by Canada or the Gwich'in but by Congress, but that does not mean that political mobilization and action cannot influence the outcome.[42] In fact, it may mean just the opposite. When one considers the current floundering of the ANWR proposal, it is clear that there exists a rare opportunity for the Canadian government to tip the balance. And as the Bush administration supplants the rhetoric of globalization with that of national interest, even more space may exist in which to mount an effective democratic challenge to U.S. national interests. As the deal is far from being done, it is up to Canada to take up the challenge.[43]

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[42]It is interesting to note that 1985 Jock A. Finlayson addressed the importance of the Canadian government to lobby U.S. Congress and to focus on public (versus quiet) diplomacy. See Jock A. Finlayson, "Canada, Congress and U.S. Foreign Economic Policy", in *The Politics of Canada's Economic Relationship with the United States*, eds. Denis Stairs and Gilbert R. Winham (Toronto: University of Toronto Press), p. 159.

[43]Adam Bartlett, "Globalisation is not dead yet", *Guardian Weekly*, March 22-28, 2001 p. 13.

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Protecting Canadian Culture in an Era of Globalization: The Case of Split-Run Magazines

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Canadians are receptive to, and anxious about, the presence of cultural products (films, books, television broadcasts, and periodicals) originating from the United States. The receptivity to American cultural influences has forced Canadian cultural industries to compete in Canada with American purveyors of mass communication for the attention of the Canadian audience. Reflecting the concern of many Canadians, Ottawa has employed a variety of domestic policy instruments to protect its cultural industries as vehicles for Canadian self-expression. For example, investment restrictions have limited foreign ownership in some cultural sectors and tariff barriers have been utilized to control the importation of certain cultural products. Two factors, however, have made the task of protecting Canadian cultural industries even more difficult. First, advances in information technology have significantly improved the ease of cultural transmission. In the past, merchandise trade involved the transfer of a physical object across state borders making such perimeters effective points of control for international trade. Now, media industries can send their products via satellite or phone-line, and in effect, bypass trade restrictions imposed at borders. Second, international trade liberalization has made it difficult for states to impose restrictions on trade. Protecting national industries by discriminating against foreign producers is inconsistent with the present international trade regime. Trade in culture, having no specifically defined distinct status, is subject to such trade law in the same way as any other commodity.

This paper examines Canada's cultural policy dilemma by focusing on Ottawa's approach to protecting its periodical industry. The resolution to the recent dispute between Canada and the United States over split-run periodicals marked the elimination of Canada's 30 year policy regime to protect its magazine industry. The case demonstrates that a re-examination of the methods of achieving Canada's cultural objectives is in order. There are some who argue that Canada should abandon its protectionist policies and force the cultural industries to compete freely in the international marketplace.[1] However, such logic commodifies culture and fails to recognize the unique importance of cultural products in shaping national cultures. This paper argues that Canada should promote the development of an international instrument to govern trade in culture.

CULTURE

Culture includes the beliefs, self-expressions, values, languages, traditions, mores, and experiences of a particular group. In short, it is a way of life. For Bernard Ostry, "Our culture – all that we invent or create or imagine and figure forth in art and the works of intellect – is our

[1]Keith Acheson and Christopher Maule, Much Ado About Culture: North American Trade Disputes (Michigan: University of Michigan Press, 1999), p. 203.

community and our reason for existing as a nation, as a people, as a political entity."[2] Canadian governments, whether Liberal or Conservative, have seemingly adopted a similar view of culture. As Prime Minister Louis St. Laurent stated in 1951,

> it is desirable that the Canadian people should know as much as possible about their country, its history and traditions; and about their national life and common achievements; that it is in the national interest to give encouragement to institutions which express national feeling, promote common understanding and add to the variety and richness of Canadian life, rural as well as urban.[3]

This is the logic that underlies Canada's long-standing efforts to promote and protect its culture in the face of a potentially overwhelming American cultural influence.

It is difficult for Canadians to escape the American cultural presence in their country. One needs only to turn on the television, view a movie, or peruse the periodical newsstand to be inundated with American cultural products. Indeed, 96 percent of movies screened in Canada, 83 percent of sales of sound recordings, 80 percent of magazine sales, and 64 percent of broadcast time on Canadian television is foreign, most of it originating in the United States.[4] American cultural exporters, having a huge domestic market, are able to take advantage of mass production and distribution methods. The United States is the largest cultural exporter in the world and 'entertainment' is its second-largest export industry.[5] Canada is one of the largest importers of American culture. The end result is a fear within Canada that American cultural products will crowd out the sources of Canadian self-expression. Thus, Canadian governments have frequently found it necessary to intervene in the cultural sector by targeting Canadian cultural industries for assistance. For, "To survive as a distinct cultural entity, Canada must continue to support and promote the creation and production of its own cultural products and services."[6]

The objective of Ottawa's approach has not been to terminate the US cultural presence in Canada, but to ensure that Canadians are able to produce and access Canadian cultural activities and products. To accomplish its cultural objectives, Canada has typically employed five distinguishable approaches: quotas and Canadian content requirements; subsidies; creation of Canadian cultural alternatives (ex; Canadian Broadcasting Corporation); Canadian ownership restrictions; and numerous diverse legislative measures[7]

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[2]Bernard Ostry, "Culture and Trade: One Policy/No Options," in Dennis Browne, ed., The Culture/Trade Quandary: Canada's Policy Options, (Ottawa: Centre for Trade Policy and Law, 1998), p. 18, 20.
[3]Canada, "Royal Commission on National Development in the Arts, Letters, and Sciences," (Ottawa : King's Printer, 1951), p. xi.
[4]John Valentine, "Culture Wars: Canadian Magazines and the Fight Against American Split-Runs," The Post 3:2 (1999), p. 12.
[5]Carl Wilson, "Northern Exposure: Canada Fights Cultural Dumping," The Nation (May 20, 1996), p. 17.
[6]Joseph Jackson and René Lemieux, "The Arts and Canada's Cultural Policy." October 15 1999. <http://www.parl.gc.ca/information/library/PRBpubs/933-e.htm> (February 2, 2001), para 6.
[7]Glenn A. Gottselig, "Canada and Culture: Can Current Cultural Policies be Sustained in the Global Trade Regime?" International Journal of Communications Law and Policy 5 (Summer 2000), p. 10.

By supporting the cultural industries with such affirmative measures, the Canadian government effectively illustrates the 'special' importance that it attaches to them. However, these industries are also actors in the overall national and global economy. Consequently, the protective aspects of Canada's policies to enhance Canadian culture through such industries can have serious impacts on US private interests. Where US interests are concerned, cultural issues invariably become economic issues and Canada's policy of protecting its culture through its cultural industries may be considered a clear case of protectionism. The typical US argument in response to such measures is that the cultural industries are not 'special'. Rather, they are industries like any other and should be subject to non-discriminatory treatment. Conflicting Canadian and American approaches to cultural industries has often created tension within the Canada-US relationship, and correspondingly, have posed a considerable challenge to Canada's ability to take measures to protect them. Against this background, advances in information technology and trade liberalization have further limited Canada's capacity to 'protect its culture' using domestic policy instruments.

Information Technology

Over the past two to three decades, technological advances in the means of communication have allowed people from all over the world to communicate more easily and more rapidly, irrespective of their geographic position. This ease of contact has allowed an unprecedented level of access to foreign cultural products. For most states, including Canada, access to foreign culture is not considered a threat to their own domestic culture. However, there is concern about the large volume and pervasiveness of these influences and the potential result of cultural homogenization, particularly Americanization. While advances in information technology have enhanced cultural transmission, they have also restricted the ability of states to use borders as regulatory controls because many products no longer have to cross borders in a physical form. The periodical industry clearly illustrates this effect as publishers can now transport their 'products' via satellite or phone line, and as a result, completely bypass trade regulations imposed at state borders.[8] This factor has led to the unraveling of Canada's long-standing policies to protect its periodical industry.

Trade Liberalization

Since the end of the Second World War, restrictions on international trade have increasingly been eliminated through numerous agreements. In participating in such agreements, Canada has found much needed stability and predictability in its trade relations, but these accords have also limited its range of policy options to protect its cultural industries. They have restrained Canada's capacity to intervene in its domestic economy and discriminate between domestic and foreign firms and their outputs. Currently, there are two main trade agreements that directly impact

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[8]Sarah Armstrong, "Magazines, Cultural Policy and Globalization: The Forced Retreat of the State?" Canadian Public Policy 26:3 (2000), p. 370.

Canada's cultural policies: The Canada-US Free Trade Agreement (CUFTA)/North American Free Trade Agreement (NAFTA); the General Agreement on Tariffs and Trade (GATT) embodied in the World Trade Organization (WTO).

NAFTA is the successor to CUFTA. It affirms the principle of national treatment[9] in trade between Canada, Mexico, and the United States. Within the CUFTA, Canada sought and obtained a 'cultural exemption'. The cultural industries of each party, provided by Article 2005, are to be free from the effects of the agreement. However, the second paragraph of Article 2005 allows either party to "take measures of equivalent commercial effect in response to such actions that would have been inconsistent with this agreement".[10] Essentially, this cultural exemption, maintained within the NAFTA, allows Canada to adopt 'inconsistent' cultural policies "if it is willing to pay the price".[11]

Cultural goods are also subject to all GATT disciplines, except for specified measures relating to screen quotas and the protection of 'national treasures of artistic, historic, or archaeological value'. These disciplines include most favoured nation (MFN) treatment, national treatment, and prohibition against quantitative restrictions on international trade.

These trade agreements have considerably limited Canada's flexibility in developing policies to protect its cultural industries. The challenges posed by both the effects advances in information technology and international trade law can be clearly illustrated by examining the progression of Canada's policy regime to protect its magazine industry since 1965 and that regime's eventual collapse in the 1990s.

THE CASE OF PERIODICALS

In 1970, the Special Senate Committee on the Mass Media called attention to the cultural importance of Canadian magazines, asserting that, "in terms of cultural survival, magazines could potentially be as important as railroads, airlines, national broadcasting networks, and national hockey leagues."[12] Their importance rests on the fact that they "synthesize, expand, and comment upon information, rather than simply report it."[13] Consistent with this, the Canadian government has taken steps to ensure that the Canadian magazine industry will be able to "provide Canadians with distinctive vehicles for expression" in the face of US competition.[14]

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[9]Foreign firms must be accorded treatment no less favourable than domestic firms of the same type.
[10]Richard G. Dearden, and John D. Richard, The Canada-US Free Trade Agreement: Final Text and Analysis (Don Mills: Commerce Clearing House Canadian Limited, 1988), p. 312.
[11]Ivan Bernier, "Cultural Goods and Services in International Trade Law," in Dennis Browne, ed., The Culture/Trade Quandary: Canada's Policy Options, (Ottawa: Centre for Trade Policy and Law, 1998), p. 123.
[12]Quoted in, Armstrong, "Magazines, Cultural Policy and Globalization: The Forced Retreat of the State?" p. 369.
[13]Canada, A Question of Balance: Report of the Task Force on the Canadian Magazine Industry (Ottawa: Minister of Supply and Services, 1994), p. 1
[14]Canadian Heritage, Culture & Heritage: Making Room For Canada's Voices (Ottawa: Minister of Public Works and Government Services Canada, 1998), p. 14.

American periodicals have attracted a high degree of Canadian readership, drawing away advertising dollars from Canadian magazines.

Advertising sales are the primary and most crucial source of revenue for most magazines. Split-run editions of American magazines, such as *Sports Illustrated*, have been of particular concern to the Canadian government. Such magazines, sold as Canadian editions, contain mostly American content, yet have their ad space available to Canadian advertisers. These editions, having already covered their production costs with sales in the much larger US market, can sell ad space to Canadian advertisers at extremely low rates, thus taking crucial ad revenue from Canadian periodicals. Canada's policies have been aimed at ensuring that Canadian magazines receive sufficient levels of domestic advertising revenues.

In 1965, parliament passed two measures to encourage Canadian businesses to advertise in Canadian periodicals. It amended the *Customs Act*, creating Tariff Code 9958, to deny access to foreign periodicals that contained advertising aimed at the Canadian market. This tariff applied to foreign split-run editions, as well as any foreign magazine that had more than 5 percent of its ad space directed at Canadians. Canada Customs was directed to prevent the entry of the four issues directly following an issue that failed to comply with the *Customs Act*. In effect, this tariff discouraged foreign publishers from producing split-run editions for the Canadian market. The Canadian government also amended the *Income Tax Act* in 1965. According to Section 19 of the Act, only those advertisements placed in a magazine with 75 percent Canadian ownership would be eligible for an income tax deduction.

Two American magazines, *Time* and *Reader's Digest*, received exemptions from the measures. These magazines were already well established within Canada. Rather than risk serious confrontation with the United States, the Canadian government in effect accorded these periodicals national treatment. In 1970 the Senate Committee on the Mass Media (Davey Committee) found that the share of Canadian advertising held by these two American magazines had increased from 43 percent in 1958 to 56 percent in 1969.[15] In response, the Trudeau government introduced Bill C-58 in 1976 to amend the Income tax Act once again. In addition to the previous requirement of 75 percent Canadian ownership, the editorial content of a magazine would have to be 80 percent different from foreign publications for advertising in that magazine to qualify as a tax deduction. Time and Reader's Digest were specifically included in the new legislation.[16]

The Canadian government also introduced a postal rate scheme that favoured Canadian periodical publishers. By providing subsidies to *Canada Post* specified for this purpose, the government's *Publications Distribution Assistance Program* allowed for lower distribution costs for Canadian magazines.

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[15]Acheson and Maule, Much Ado About Culture, p. 188.

[16]*Reader's Digest* managed to 'meet' the new requirements. It created a foundation controlled by Canadian directors allowing it to meet the ownership criteria. In addition, its stories, edited in Canada, qualified as Canadian content. *Time* on the other hand could not meet the requirements. See, (D) p. 189)

According to the 1994 report of the *Task Force on the Canadian Magazine Industry*, the preceding policies had an overall positive effect. The number of Canadian periodicals within Canada increased from 661 in 1956 to 1,440 in 1992. Moreover, their share of circulation increased from 25 percent in 1961 to 68 percent in 1992. However, when Time Warner Inc. launched a Canadian split-run edition of *Sports Illustrated* in 1993, these long-standing policies were rendered outdated and impotent.[17]

The SI Challenge

In January of 1993, Time Warner Inc. announced its intention to publish a split-run edition of its magazine *Sports Illustrated* in Canada. The magazine would consist mainly of American content, but its American advertisements would be removed in favour of Canadian ones. *Sports Illustrated* would be produced in New York City and sent via satellite to a printer in Ontario thereby effectively by-passing the regulatory controls imposed by Customs Tariff 9958.

The tax deduction provision contained within section 19 of the *Income Tax Act* was also rendered ineffective by *SI*'s challenge to the status quo. Since split-runs consist of existing American material, they entail very few new production costs. Many of these costs are already covered by advertising sales within the US market. As a result, American split-run editions would be able to offer advertising prices much cheaper than those offered by Canadian periodicals, even after the tax deduction. For example, the rate for a full-page colour advertisement in *SI*'s Canadian edition was $6,250, as compared to $25,400 in Maclean's magazine and $134,620 for the US edition of *SI*.[18]

Realizing that both the tariff and tax policies would not respond to the challenge posed by *SI Canada*, the Canadian government created the *Task Force on the Canadian Magazine Industry* in the spring of 1993. The mandate of the T*ask Force* was,

> to recommend ways in which the two legislative measures whose purpose is to ensure an adequate flow of advertising revenue to Canadian magazines could be brought up-to-date…[and to recommend]…possible new measures in furtherance of the government's policy objectives.[19]

The *Task Force* recognized the potential impact of unchecked American split-run magazines in Canada. According to its report, "The signal has gone out that it is now possible for non-Canadian magazines to enter the Canadian advertising market, notwithstanding the measures in place since 1965 to discourage this phenomenon."[20] Indeed, many other US publishers were eager to launch Canadian split-runs. Canadian periodicals stood to lose an estimated 38 percent

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[17]Preceding statistics taken from, (E), p. 2.
[18]Valentine, "Culture Wars: Canadian Magazines and the Fight Against American Split-Runs," p. 13.
[19]Canada, A Question of Balance: Report of the Task Force on the Canadian Magazine Industry, p. 4-5.
[20]Ibid., p. 49.

of Canadian advertising as a result.[21] Consequently, "the Canadian magazine industry would be seriously hurt by the entry of split-runs, and its important contribution to Canadian communication and cultural development would be diminished."[22]

The *Task Force* recommended 11 measures to be taken by the Canadian government. Included in this list were recommendations to maintain both the postal subsidy as well as Tariff Code 9958. The most important recommendation, however, was that an excise tax be levied on the printer or distributor of foreign split-run magazines. The 80 percent original content criteria of Bill C-58 would also apply to this new tax. In other words, if the content of a Canadian edition of a foreign magazine was more than 20 percent the same as its domestic issue, it would be subject to the excise tax. This excise tax was to be applied on a per issue basis and would amount to 80 percent of the total price charged for advertising in that issue.[23]

The *Task Force*'s report claimed the excise tax would not violate Canada's international trade commitments. By concentrating on the level of original content, and not discriminating between foreign and domestic non-original content, the report argued, the measure would be consistent with the principle of national treatment in the NAFTA and the GATT. In effect, it would encourage original content irrespective of the national origin of that content. Though the excise tax would do nothing to encourage the production of Canadian content, the report concluded that "on balance, it is better to aim wide and comply with international trade obligations by promoting original content than to target a narrow field and end up in protracted disputes with Canada's principal trading partners."[24] To complement this approach, it suggested that the government grant an exemption for those magazines already operating in Canada based on the number of issues distributed prior to the report. In effect, this would give *Time* and *Reader's Digest* a full exemption. *Reader's Digest* had become a 'Canadian' periodical after Bill C-58 in 1976. *Time* operated as a foreign magazine within Canada after 1976 though it continued to offer advertising aimed at the Canadian market. For its part, the newly formed *Sports Illustrated* would be given an exemption for seven issues per year.[25]

Bill C-103

In December of 1994, the Canadian government announced its intention to pass legislation giving effect to the excise tax proposed by the *Task Force*. On December 15 1995, Bill C-103 became Canadian law. Consistent with the *Task Force*'s suggestions, an 80 percent tax would be levied, on a per issue basis, on all advertising revenue in magazines that did not have at least 80 percent original content. In addition, the legislation contained a clause that, in effect, granted an exemption to foreign magazines distributed prior to March 26 1993, provided that the number of these editions issued did not exceed the amount distributed in the 12 months preceding that

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[21]Ibid., p. 49-51.
[22]Ibid., p. 53.
[23]See, Canada, A Question of Balance: Report of the Task Force on the Canadian Magazine Industry, p. 65-66.
[24]Ibid., p. 66.
[25]See, Ibid., p. 66, 79.

date.[26] Consequently, *Time Canada* and *Reader's Digest*, as well as Canadian editions of split-run magazines were exempted from the new legislation. Every issue of *Sports Illustrated*, however, would be subject to the excise tax. By refusing to exempt *Sports Illustrated*, the Canadian government negatively affected American private interests and in doing so, quickly came into conflict with the United States.

After a concerted lobbying effort by Time-Warner, the US government adopted the media giant's cause and spearheaded the effort to force the elimination of Canada's protectionist measures. United States Trade Representative (USTR) Mickey Kantor, after Ottawa announced that it would introduce the excise tax legislation, made clear that the US government was "examining all of its options, including retaliation, to appropriately respond to these unacceptable developments."[27] From the US point of view, the excise tax was an intolerable measure that compounded the negative effects of what it saw as an already unfairly protected Canadian magazine industry.

On March 11 1996, the USTR initiated an investigation of Canadian policies in the magazine industry under section 301 of the US *Trade Act, 1974*. Under this section, the USTR has the authority to launch investigations of unfair foreign trade practices, to pressure countries to alter their policies, and to recommend retaliation if compliance is not forthcoming.[28] In addition, the US requested consultations with the Canadian government as required by GATT dispute resolution procedures. The purpose of the consultations would be to address "measures prohibiting or restricting the importation into Canada of certain magazines, tax treatment of so-called 'split-run' magazines, and the application of favorable postage rates to certain Canadian magazines."[29] Thus, in addition to the excise tax, Canada's long-standing customs tariff and postal subsidies were targeted by the USTR.

The Canada-US consultations failed to result in agreement. Consequently, the USTR announced that it would take its complaint to a dispute resolution panel provided by the World Trade Organization. By taking this approach, the US government sent two very clear signals. First, the US denied Canada recourse to the CUFTA/NAFTA cultural exemption. Evidently, the US was

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[26]Armstrong, "Magazines, Cultural Policy and Globalization: The Forced Retreat of the State?" p. 374.
[27]Quoted in, Anthony Wilson-Smith, "Tough Talk on Culture: the Liberals Play the Nationalist Card," Maclean's 108:1 (January 2, 1995), p. 38.
[28]Acheson and Maule, Much Ado About Culture, p. 75-76.
[29]United States Trade Representative, "WTO Appellate Body Expands U.S. Victory in Challenge to Canada's Restrictions on U.S. Magazine Exports." June 30, 1997.
<http://www.ustr.gov/regions/whemisphere/canada/releases.shtml> (March 10, 2001), p. 2.

not willing to allow Canada to maintain its measures 'at a price'.[30] Second, the US expressed its determination to prevent Canada's restrictive magazine policies from serving as a precedent for other countries. According to Kantor:

> Our action is justified not only on the merits of the case itself, but it is also important in setting a clear precedent that the United States is prepared to act on so-called cultural issues where there is discrimination against US interests. The Clinton Administration is committed to combating the growing attack on our country's publishing and entertainment industries, whether from Canada, Europe or Asia.[31]

The WTO Panel Decision

The United States challenged Canada's magazine policies on the basis that all three measures were inconsistent with Canada's GATT obligations. The United States argued that Tariff Code 9958 violated Article XI of the GATT 1994 which prohibits quantitative restrictions on imports. This tariff, it asserted, created a monopoly for Canadian magazines in the Canadian advertising market. In its defence, Canada maintained that the tariff was allowable under Article XX(d) of the GATT as it was "necessary to secure compliance with other GATT-consistent legislation" – namely, the tax deductibility provisions in section 19 of the *Income Tax Act*.[32] From Canada's point of view, section 19 and Tariff Code 9958 were inseparable measures both designed to achieve the general objective of assisting "the Canadian periodical industry raise advertising revenues."[33]

The Canadian excise tax, according to the US, was inconsistent with Article III:2 and Article III:4 of the GATT 1994. First, the tax artificially created a distinction between 'like products' and 'directly competitive or substitutable' products contrary to Article III:2. The tax made a distinction between 'split-runs' and other types of magazines and applied the tax only to split-runs. If, however, the panel decided that Article III:2 was inapplicable, then according to the US, the measure should still be deemed inconsistent as it violated the national treatment provision of Article III:4. The excise tax applied to foreign split-runs and not to like domestic non-split-runs.[34]

Canada argued that content is the distinguishing characteristic of a periodical and thus foreign split-runs and domestic non-split-run magazines were not 'like' products. They each have content developed for different markets. More important, Canada maintained that the excise tax

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[30]Bernier, "Cultural Goods and Services in International Trade Law," p. 124.
[31]United States Trade Representative, "USTR Kantor Announces Challenge of Discriminatory Canadian Magazine Practices; Cites Clinton Administration Determination to Defend U.S. Industries." March 11, 1996. <http://www.ustr.gov/releases/1996/03/96-23.html> (March 10, 2001).
[32]Quoted in, Gottselig, "Canada and Culture: Can Current Cultural Policies be Sustained in the Global Trade Regime?" p. 43.
[33]See, World Trade Organization, "Report of the Panel on Canada – Certain Measures Concerning Periodicals." March 14 1997. <http://www.wto.org/english/tratop_e/dispu_e/distab_e.htm> (March 15 2001), p. 9.
[34]See, Ibid., p. 48.

was not applied to a good, but to a service (i.e. the advertising in split-run magazines). According to the Canadian position, the tax should not be subject to the disciplines of the GATT 1994. Instead, the excise tax should fall within the General Agreement on Trade in Services (GATS). Under the GATS a member nation must specifically make commitments in a service sector for that sector to be subject to the GATS disciplines of market access and national treatment and the Canadian government had no commitments in regard to advertising.

The US challenge to Canada's postal rates scheme was twofold. First, the US argued that the funded postal rate system was not an allowable subsidy under the meaning of Article III:8 as it was paid to *Canada Post* rather than directly to the publisher of Canadian magazines, as required by that Article. Second, since the commercial rates charged by *Canada Post* were lower for domestic periodicals than for imported periodicals (international rates), the US argued that the pricing system was in violation of the national treatment provisions of Article III:4. In its view, *Canada Post* is government-owned and under governmental instruction, thus the crown corporation's policies should be considered government 'regulations and requirements' within the meaning of Article III:4. For its part, Canada maintained that the subsidy was indeed allowable under Article III:8 and that Article III:4 should not apply. It claimed that *Canada Post* was a crown corporation with a legal personality distinct from the Canadian government. Its commercial rates were not influenced by the government in any way and thus the rates did not qualify as 'regulations' or 'requirements'.

In March of 1997 the WTO Panel announced its rulings. It concluded that although Tariff Code 9958 secured compliance with section 19 of the *Income Tax Act* it was not necessary to do so. Being a quantitative restriction on imports, the tariff was deemed to be in violation of Article XI of the GATT 1994. The panel found that the excise tax, though applied to advertising services, was to be paid by the printer or distributor of a split-run periodical and thus affected these magazines. In addition, the panel asserted that, "advertising services have long been associated with the disciplines under GATT Article III."[35] Since the panel concluded that foreign split-runs and domestic magazines were indeed 'like products', the excise tax was ruled to be in contravention to Article III:2 of the GATT 1994. The decision of the panel concerning Canada's postal rate scheme contained two different rulings. It concluded that Canada's funded postal rates were in fact allowable under Article III:8 of the GATT. *Canada Post* merely served as a mechanism by which the Canadian government could provide its subsidy to Canadian periodical producers. *Canada Post* did not retain any of the funding and thus the subsidy was considered by the panel to be paid directly to Canadian publishers. Moreover, if *Canada Post* was indeed a government agency, as the US had argued, it would clearly be the case that the subsidy was direct in its application.[36] However, the commercial rates of *Canada Post* were deemed to be in violation of the GATT. The panel reasoned that *Canada Post* generally acted under government instructions and thus the Canadian government could at any time change *Canada Post*'s pricing policy should it deem it inappropriate for any reason.[37] As a result, the commercial rates pricing scheme was ruled inconsistent with Article III:4 of the GATT 1994.

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[35]Quoted in, Armstrong, "Magazines, Cultural Policy and Globalization: The Forced Retreat of the State?" p. 376.
[36]Gottselig, "Canada and Culture: Can Current Cultural Policies be Sustained in the Global Trade Regime?" p. 45.
[37]Ibid., p. 46.

The panel thus ruled against all three of Canada's implements to promote and protect its periodical industry. Only the subsidy providing funded rates was deemed consistent with Canada's GATT obligations. However, both parties appealed certain rulings made by the WTO panel. The US appealed the ruling on the postal subsidy, and Canada the ruling on the excise tax. When the WTO Appellate Body announced its decision on June 30 1997, Canada had lost on all counts.

In respect to Canada's appeal of the Panel ruling on the excise tax, the Appellate Body found that though foreign and domestic magazines may not be considered 'like' products under Article III:2, as Canada was claiming, they were clearly 'directly competitive' or 'substitutable' products as stated in the second sentence of Article III:2. The fact that English-language magazines were facing competition by US split-runs, and that as a result policies like the excise tax were 'needed', was considered indicative of the directly competitive nature of foreign and domestic magazines. Concerning the American appeal, the Appellate Body concluded that the WTO panel had mistakenly held that Canada's funded postal rates were allowable under Article III:8. It found that the subsidy was in fact not paid directly to Canadian publishers.

The Canadian government was given until October 1998 to respond to the Appellate Body's conclusions. In the end, all of Canada's arguments were rejected by the WTO. In effect, Canada's long-standing policy regime to protect its domestic periodical industry, in addition to the new excise tax, was deemed inconsistent with its international trade obligations under the GATT.

The ruling was an important victory for the United States. It set a precedent that would aid Washington's efforts to attain alterations in other similarly restrictive measures adopted by not only Canada, but other countries as well. As the new USTR Charlene Barshefsky put it: "This case makes clear that WTO rules prevent governments from using 'culture' as a pretense for discriminating against imports."[38] In Canada, there was fear that the US would push for more changes in other cultural industries, but of immediate concern was the state of Canada's periodical industry. With the decision of the WTO, Canadian magazines stood to lose a significant share of the Canadian advertising market. Given the importance of advertising revenue for the viability of periodicals, the Canadian government attempted to find a new method to uphold the objectives of past policies yet was consistent with international trade law.

Bill C-55 and the US Response

On October 8 1998, the Canadian government introduced Bill C-55, the *Foreign Publishers Advertising Services Act*, in the House of Commons. The purpose of the bill was to regulate access to the Canadian advertising services market, thereby avoiding the disciplines of the

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[38]United States Trade Representative, "WTO Appellate Body Expands U.S. Victory in Challenge to Canada's Restrictions on U.S. Magazine Exports," p. 1.

GATT, which concentrate on goods. In effect, the new legislation banned all Canadian advertising in foreign split-run periodicals, with an exemption granted to foreign publishers operating in Canada in the year prior to the introduction of the act. According to paragraph 3(1) of the Act, "No foreign publisher shall supply advertising services directed at the Canadian market to a Canadian advertiser or a person acting on their behalf."[39] Contravention of this prohibition would result in fines of up to $100,000 for individuals and $250,000 for corporations.[40]

From the US point of view, the new legislation was just as illegal as the measures it had just successfully challenged in the WTO. Barshefsky asserted: "Substituting one form of protectionism for another ignores both the letter and the spirit of the WTO rules…We expect the Canadian government to refrain from enacting this protectionist legislation."[41] In November of 1998, Gordon Giffin, US ambassador to Canada, made it clear that not only did Washington 'expect' Canada to withdraw or seriously amend its legislation, it would take action should Canada proceed contrary to US expectations: "Options are being examined by our government to be considered as a response to C-55 if C-55, as currently written, is enacted because our view is that it's contrary to the rules we all agreed to."[42] These options were: retaliation under the WTO on the basis of Canadian non-compliance with the panel's rulings; initiation of another dispute process under the WTO; retaliation under CUFTA/NAFTA.[43]

Canada, on the other hand, argued that Bill C-55 was an entirely new and different measure from those that had been ruled inconsistent with international trade law. The new legislation was not designed to restrict imports of foreign periodicals. Rather, it was intended to regulate advertising *services* and thus the legislation fell within the auspices of the GATS. Thus, Canada asserted that it was conforming to the WTO-imposed obligation to reform its periodical policies, thereby forcing the US to initiate a new dispute process through the WTO. If Washington were to retaliate on the basis that Canada had not adhered to the WTO ruling it would be in breach of WTO disciplines.

Canada also considered C-55 to be consistent with its CUFTA/NAFTA commitments. Within the cultural exemption clause, the retaliation provision of "equivalent commercial effect" is specifically, "governed under this [NAFTA] agreement exclusively in accordance with the provisions of the *Canada-United States Free Trade Agreement*."[44] As trade in services is not

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[39]Canada, "Foreign Publishers Advertising Services Act." 1998. <http://www.parl.gc.ca/36/1/parlbus/chambus/house/bills/government/C-55/C-55_2/C-55_cover-E.html> (March 10, 2001).

[40]Ibid.

[41]United States Trade Representative, "United States to Take Trade Action If Canada Enacts Magazine Legislation." Oct 30, 1998. <http://www.ustr.gov/regions/whemisphere/canada/releases.shtml> (March 10, 2001), p. 1.

[42]Fife, Robert, "United States Will Fight Back on Magazine Law," National Post, November 30, 1998.

[43]"US Warns Canada of Magazine retaliation," Inside US Trade 17:2 (January 15 1999), p. 22.

[44]Canada, North American Free Trade Agreement. (Ottawa: Minister of Supply and Services Canada, 1993), Annex 2106, p. 21-11.

regulated by the CUFTA, Canada maintained that Bill C-55 was not subject to American retaliation. Having asserted the legality of its new legislation, Ottawa said it would not back down in the face of American threats. Heritage Minister Sheila Copps stated in December of 1998: "If the Americans think that this kind of speculative intimidation is going to somehow cause us to stop in our tracks, they don't understand Canada."[45]

The United States government, however, persisted with its threats of retaliation against Canada's 'protectionist' legislation. The approach it eventually decided upon was to withdraw NAFTA benefits to Canada by applying the higher tariff levels of the WTO to certain Canadian imports. The United States chose retaliation under NAFTA for several reasons. First, it would allow the Washington to exert punitive pressure on Canada's policy without having to retaliate based on Canada's failure to implement the decisions of the WTO. In this way it would avoid a Canadian challenge against illegal American unilateral retaliation. Second, since Canada's benefits in NAFTA were better in many areas than those received throughout the WTO, by shifting tariffs to WTO levels, Canada would still suffer negative trade effects while the US would not be violating WTO disciplines. Finally, if the US were to retaliate under the WTO, it would have to initiate yet another lengthy dispute process.

In choosing to deny Canada benefits under NAFTA, the US would have had to retaliate against a large volume of trade in many different sectors to reach equivalent commercial effect. This was due to the already low tariff levels of the WTO disciplines. According to one US official at the time, "We have to hit a tremendous amount of trade because our bound rates to each other are so low that we have to hit a lot of trade to reach equivalent commercial effect."[46] Thus, the US threatened to retaliate against several sectors, including plastics, textile and apparel, wood products, and steel products. Though it purported a target of 'equivalent commercial effect', the US in total, threatened approximately $1 billion dollars in Canadian trade. Moreover, the targets were chosen as much for their political importance as their monetary significance. For example, Heritage Minister Sheila Copps represented a constituency in Hamilton, a city in which steel production largely drives the economy.

Though Canada was initially firm in its opposition to US calls for modification to the legislation, it was eventually forced to alter its position. Internally, the Canadian government's bill faced considerable resistance. The Minister of International Trade, Sergio Marchi, made it clear that he was opposed to Heritage Minister Sheila Copps' hard-line approach. Canadian advertisers, directly affected by the legislation, claimed that the bill was designed to protect Canada's major publishers. The president of the Association of Advertisers, Ron Lund, asserted that, "Bill C-55 has nothing to do with protecting Canadian culture."[47] The industries potentially affected by US retaliation also mounted opposition to the pending legislation. In February of 1999, an alliance of these industries delivered a letter to Prime Minister Chretien urging the government to

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[45]Heather Scoffield, "Ottawa Shows Strength in Magazine Battle," Globe and Mail, December 14, 1998, p. B3.
[46] "Canada to Press Ahead With Magazine Bill in Face of US Opposition," Inside U.S. Trade 17:7 (February 19 1999), p. 12.
[47]Paul Brent, "Advertisers Blast Copps for Protecting 'Special' Publishers," National Post, November 19, 1998.

negotiate a settlement to the dispute.[48] These factors, combined with the threat of a major trade war with its largest trading partner, forced the Canadian government to 'water down' its position. A negotiated settlement, reached on May 26 1999, amended Bill C-55 and included significant concessions to American publishers. Overall, the Canada-US Agreement on Periodicals provides much less protection to the Canadian periodical industry than the Canadian government had initially intended.

Canada amended the *Foreign Publishers Advertising Services Act* to exempt foreign-owned magazines that are either published in Canada, or contain advertising directed at the Canadian market within permissible levels – initially 12 percent and rising to 18 percent after three years of the date of the agreement. To legally surpass these thresholds, an American publisher would have to "create majority Canadian content and establish a new periodical business in Canada."[49] The agreement also provided for amendments to section 19 of the *Income Tax Act*. Canadian advertisers would be allowed to deduct one half of their advertising expenses in foreign periodicals with less than 80 percent original content, and 100 percent of their expenses in those with at least 80 percent original content. Finally, the agreement liberalized Canada's investment restrictions to allow complete foreign ownership of a Canadian magazine after one year of the signing of the agreement – up from 25 percent.[50]

From the American point of view: "The agreement opens Canada's magazine market and in doing so offers clear benefits to both Canada and the United States."[51] Clearly, in respect to access to Canadian advertising, the agreement gave American publishers a more favourable position than their pre-1993 years. For its part however, Canada was forced to concede a significant share of its domestic advertising market. Though Canada managed to maintain some level of restriction in the amount of Canadian advertising in foreign split-run magazines, it is far-removed from the restrictions utilized in the past. Interpreting the settlement in a positive light Marchi proclaimed, "This agreement ends a long period of uncertainty and removes the shadow of trade retaliation from a wide range of Canadian industries. Everyone can go back to business with more security and confidence."[52] In effect, however, the signing of the Canada-US Agreement on Periodicals marked the end to Canada's long-standing policies to protect its periodical industry from foreign split-run magazines.

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[48]"US to Retaliate Under NAFTA if Canada Passes Magazine Law," Inside US Trade 17:8 (February 26, 1999), p. 4.

[49]Quoted in Gottselig, "Canada and Culture: Can Current Cultural Policies be Sustained in the Global Trade Regime?" p. 48.

[50]For a summary of the agreement, see United States Trade Representative. "United States and Canada Resolve 'Periodical' Differences." May 26, 1999. <http://www.ustr.gov/regions/whemisphere/canada/releases.shtml> (March 10, 2001).

[51]Ibid., p. 1.

[52]Canadian Heritage Department. "Ottawa and Washington Agree on Access to the Canadian Advertising Services Market [Press Release]." May 26 1999. <http://www.pch.gc.ca/bin/News.dll/View?Lang=E&Code=9NR029E> (April 24, 2001)

A NEW INTERNATIONAL INSTRUMENT

As the case of foreign split-run magazines illustrates, Canada's domestic policies to protect its cultural industries are being challenged and there is reason to question Canada's approach to handling the relationship between culture and trade. The cultural exemption in the CUFTA/NAFTA, strongly endorsed by Canadian cultural industries and heralded by the Canadian government as a grand achievement, did nothing to prevent the US from launching a successful WTO challenge against Canada's protectionist periodical policies. But even if Canada's measures were consistent with WTO disciplines, as the magazine *Task Force* presumed, the cultural exemption was proven inadequate as Canada was unable, or at least unwilling to pay the price for implementing its chosen policies. Clearly, the approach of exempting culture has proven to be ineffective and an alternative must be found.

As a result of the challenges that technology and trade liberalization have posed for Canada's cultural policies, there are increasing calls for Canada to put culture 'on the table' - not to adopt free trade in cultural sectors, but to have culture defined as an area of trade distinct from trade in other 'regular' goods and services. Perhaps the most promising approach is to develop an international instrument to govern trade in culture. Such an instrument was suggested in February of 1999 by the Cultural Industries Sectoral Advisory Group on International Trade. The objective would be to provide overarching recognition of the importance of cultural diversity and the capacity of national and subnational governments to protect cultural industries. In doing so, the cultural framework could make explicit allowances for specific policy instruments, such as subsidies, restrictions on investment and market access.[53] Included within the aegis of the WTO, this instrument could serve as an interpretive guide to dispute resolution procedures where culture is involved. Such an approach was followed when, after the Uruguay Round of WTO negotiations, GATT members implemented the Agreement on Subsidies and Countervailing Duties and thereby clarified what is and what is not acceptable in respect to these measures.[54] The precise form of such a cultural instrument would depend on many factors, but there should be two fundamental principles guiding both its development and its implementation.

One of these principles would be that states not adopt policies to protect their cultural industries in ways that arbitrarily affect another state's interests. States should be subject to the same requirements for general exceptions in the GATT and GATS, namely, that policies "are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where the same conditions prevail, or a disguised restriction on international trade."[55] Specifically, state policies should genuinely contribute to the development of national culture and must not be money-making enterprises, aimed solely at favouring domestic over

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[53]See, Cultural Industries Sectoral Advisory Group on International Trade, "Canadian Culture in a Global World: New Strategies for Culture and Trade." February 1999.
<http://www.dfait-maeci.gc.ca/tna-nac/canculture-e.asp> (April 6 2001).

[54]Daniel Schwanen, "A Room of Our Own: Cultural Policies and Trade Agreements," Choices 7:4 (April 2001), p. 17-18.

[55]Quoted in, Bernier, "Cultural Goods and Services in International Trade Law," p. 147.

foreign firms. The treatment of American-owned Country Music Television (CMT) by the Canadian Radio-Television and Telecommunications Commission (CRTC) in the mid-1990s is an example of measures that should be deemed contrary to the purposes of an international instrument.[56]

An additional principle should require that protectionist measures be consistent with the objective of achieving cultural diversity. Maintaining cultural diversity does not necessitate complete or even partial restrictions on international trade. There must be a recognition that the primary objective of state intervention should not be to maintain or produce 'purity of culture', but to ensure that citizens have sufficient cultural choices.[57] This should serve as a guiding criterion and not domestic cultural advantage as such. Obviously, determining the level of protection that is necessary would be a difficult issue to resolve. However, it could be agreed to by states in general or specific commitments and could incorporate, for example, levels of ownership or indigenous content in each particular cultural sector. It would also be important to include within these limitations a consideration of the inevitability of the evolution of technology and market composition. In this sense, the ability of states to ensure cultural diversity would not be hindered by changing circumstances.

There are many challenges that Canada would confront in any attempt to promote culture as a unique area of trade on the international level. Canada would have to build a consensus to undertake what would be long, complicated negotiations. Due to lack of support, Canada failed to establish a general cultural exemption in the negotiations leading to the GATS. However, this should not be considered as reason for abandoning the effort, but rather to strengthen it. There are several countries, including France and Australia, that are also concerned with cultural homogenization. Working with them, Canada could take a leading role in promoting a distinctly important position for culture in the international trade regime. The support needed to develop an international instrument will take time, but should it be excluded from international discussions, it could fall off the free trade map.

The United States will likely be strongly opposed to any effort to afford culture a distinct status. As the world's most successful cultural exporter, it would have much to lose should states be granted a free hand in their cultural policies. The US might, however, find advantages in some limited form of instrument to govern trade in culture. Though it strongly advocates non-

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[56]The CRTC, in an effort to advance Canadian culture, regulates the list of available domestic and foreign television channels for the Canadian audience. On January 1 1995, after ten years of authorized service as a non-Canadian channel, CMT was removed from this menu by the CRTC and replaced by a Canadian specialty channel, New Country Network (NCN). The action represented a long-standing CRTC practice of denying market access to foreign television services that are considered to be in direct competition with a Canadian alternative. However, CMT was already providing as much Canadian content as that proposed for NCN, and the former's established international connections better-served Canadian artists. Thus, no real cultural objective was achieved and the CRTC was simply replacing American ownership with Canadian ownership. For a discussion of the CMT case see, Acheson and Maule, Much Ado About Culture, p. 206-219.

[57]Schwanen, "A Room of Our Own: Cultural Policies and Trade Agreements," p. 16-17.

discriminatory treatment in the policies of other states, even the US recognizes the principle behind state protection of cultural industries. For example: "Section 310 of the Federal Communications Act states that no foreigner can be the licensee, partner, officer, or director of any radio or television station in the United States, and foreign participation in the ownership of any such station is restricted to 20 percent."[58]

Although the relative ambiguity of culture's international treatment is hazardous for those concerned about cultural diversity, it is also undesirable for large cultural exporters such as the US. Consider the case of Bill-C55. The fact that Canada found a measure that maintained its past objectives, yet was technically consistent with its WTO Panel-imposed obligation to reform its illegal policies, necessitated that US action through the WTO would require a new dispute procedure. Though in its dispute with Canada, the US could rely on a regional trade agreement instead of the WTO, it is conceivable that conflicts with other countries would not contain such an alternative. An international instrument in which the 'rules of the game' were clearly defined could avoid such irritants for the US. Moreover, having one of the most powerful and influential economies, the US would have a considerable impact in determining what those rules would be, and in the process receive some concessions it currently does not have.

In any case, American opposition should not lead to inaction. Ottawa's ability to protect Canadian culture with domestic policy instruments is currently vulnerable to the challenges of international trade law and the effects of globalization. The form of the preceding international cultural instrument is suggestive only. However, by embracing the principles presented above, the path to implementing such an instrument may be made easier. It would also secure a balance between the desirability of free trade and the importance of cultural diversity. If Canada is to achieve its long-standing objectives of protecting Canadian cultural choices this balance must be established. Clearly, this requires Ottawa to adopt a progressive rather than a reactive approach.

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[58]Roger Swanson, "Canadian Cultural Nationalism and the US Public Interest," in Janice L. Murray, ed., Canadian Cultural Nationalism (New York: New York University Press, 1977), p. 58.

Anne of Green Gables meets Ally McBeal:
Managing the Canadian and American approaches to cultural policy

by

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Introduction

In recent years the Canada-United States trade landscape has been spotted with disputes in the cultural arena. In 1995, New Country Network, the Canadian country music television station, petitioned to have the equivalent American television station taken off the cable distribution system. Fears of American trade retaliation led Canadian cable operators to agree to a Canadian-American partnership for distributing the Country Music Television signal in Canada.[1] Two years later, the Canadian government attempted to prevent split-run editions of *Sports Illustrated* from entering Canada. The American government took Canada before a World Trade Organization (WTO) tribunal and the tribunal ruled against Canada.[2] Canadian policy makers addressed split-run magazines again in 1999 through Bill C-55 which sought to make it illegal for Canadians to advertise in American split-run magazines. Facing the threat of trade sanctions to Canadian products, the government agreed to significant compromises and changed the Bill.

Every Canada-US trade dispute in the cultural sector has followed a similar course: the Canadian government asserts authority over an aspect of its cultural policy, leading the American government to accuse Canada of infringing on its international trade obligations. As the statistics demonstrate, American products seem to have no difficulty penetrating Canada's borders: 72% of English television in Canada comes from the United States; at least 95% of films shown in Canada are foreign productions; 83% of periodicals sold in Canada originate in foreign countries, primarily in the United States; 70% of music on Canadian radio is foreign content; 70% of the Canadian book market is imported.[3] And yet the Americans assert that Canadian policy does not comply with international trade rules.

This paper seeks to explain the causes for these trade disputes by examining Canadian and American cultural policy approaches as logical outgrowths of different national definitions of "culture." It questions whether it is possible for Canada and the United States to peacefully reconcile their clashing approaches to cultural policy. Ultimately, a realistic answer is that these differences in approach might be *managed*, but that a complete *harmonisation* of Canadian and American cultural policy interests is unlikely. This paper concludes with an exploration of several multilateral routes which Canadian and American policy makers might follow in order to promote better-managed cultural policy approaches.

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[1] Jonathan P. Doh, "US-Canada trade in cultural products and services: What's at stake?," *U.S. Trade Strategy and Canadian Culture* (working draft) (Washington, DC: Center for strategic and international studies, 1998), 14.
[2] Ted Magder, "Franchising the candy store: Split-run magazines and a new international regime for trade in culture," *Canadian-American Public Policy*, 34 (April 1998): 1-8.
[3] Sheila Copps, "Canadian cultural policy in a global economy," *Canadian Business Economics*, October 1999, 40; Doh, "US-Canada trade," 3; Jeffrey Simpson, "Un-American activities," *Globe and Mail*, 23 December 1998, A22.

I. Defining culture

i. The United States: Culture is the entertainment industry

Culture is equated with "popular entertainment" in the United States.[4] Its whole is equal to the sum of television programs, films, sound recordings, and books and periodicals produced in a given year. Because culture is simply part of the entertainment and media industry, American policy makers argue that it is a routine commercial activity.[5] This argument suits American commercial interests because the US is the world's largest and most successful exporter of cultural products.[6]

The belief that cultural products are ordinary commodities was emphasised in the Canada-US Free Trade Agreement negotiations. As Thomas Niles, the American Ambassador to Canada at the time, explained: "We think that these questions [regarding cultural industries] should be resolved on a commercial basis and that governments shouldn't get mixed up in them."[7] The United States Trade Representative, Clayton Yeutter, added that he was "prepared to have American culture on the table and have it damaged by Canadian influences after the free trade agreement. I hope Canada is prepared to run the risk too."[8] These officials believe that culture is something to be "damaged" because it is only a commercial endeavour, no different than softwood lumber or auto parts.

ii. Canada: Culture and national identity

In Canada, culture is less easily defined. Culture is linked to the amorphous concept of Canadian identity. It is the "*soul of a people*,"[9] and the "*interconnected web* of *shared attitudes, beliefs and practices* that form a *community*."[10] Some academics have explained that because Canadians lack a central mythology or revolution to rally the nation, they instead look to artists "to prov[e]

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[4] Lily Munro, "Cultural sovereignty and free trade: An Ontario perspective," in J. Chasko, ed., *Cultural Sovereignty: Myth or Reality* (Windsor, ON: Centre for Canadian-American Studies, 1987), 19; Victor Rabinovitch, "The social and economic rationales for Canada's domestic cultural policies" in Dennis Browne, ed., *The Culture/Trade Quandry: Canada's Policy Options* (Ottawa: Graphic Services, 1998), 27.

[5] William S. Merkin, "US Trade Policy and Canadian culture: What can be accomplished through trade negotiations," *U.S. Trade Strategy and Canadian Culture* (working draft) (Washington, DC: Center for Strategic and International Studies, 1998): 2; Jaime Portman, "And not by bread alone: The battle over Canadian culture" in David Thomas, ed., *Canada and the United States: Differences that Count* (Peterborough, ON: Broadview Press, 1993), 359.

[6] Cultural products are the United States' second largest export, after aerospace and defence products (Ted Magder, "Going global," *Canadian Forum*, August 1999, 14.).

[7] Allan Smith, "Canadian culture, the Canadian state, and the new continentalism," *Canadian-American Public Policy*, 3 (October 1990): 3.

[8] Ibid.

[9] Copps, "Canadian cultural policy," 42, italics added.

[10] Oliver R. Goodenough, "Defending the imaginary to death? Free trade, national identity, and Canada's cultural preoccupation," *Arizona Journal of International and Comparative Law* 15 (1998): 209, italics added.

the country exists."[11] This burden that is thrust upon Canadian musicians, actors and writers is not equally present in the United States. That is why Americans can afford to define culture as a marketable commodity, whereas Canadians need culture to define who they are, and to provide shape to a seemingly *amorphous Canadian identity*.

The linkage between culture and identity is institutionalised in the mandate of the Department of Canadian Heritage. By placing both cultural programs and national identity under the same department and same minister, the Government of Canada clearly states that culture and identity are linked. This contrasts starkly with the United States, because no US government department links these two areas and no American government department addresses either culture or American identity.

II. Differing approaches to cultural policy

Both the Canadian and American approaches to cultural policy flow logically from their respective definitions of culture. The Canadian government believes that national culture plays an increasingly important role because of the phenomenon of globalisation. Unique national identities are becoming endangered as globalisation is producing an increasingly integrated world.[12] In an effort to avoid this erosion, Canadian policy makers have affirmed the need for special treatment for Canadian cultural products and have adopted a cultural policy that fits into the "government's overall framework for cultural affirmation."[13]

The goals of Canada's *affirmative* cultural policy model[14] are to encourage cultural expression, create Canadian alternatives in all cultural industries, ensure financing and shelf-space for Canadian products, and preserve the history and heritage of communities.[15] These goals are met through legal measures such as: subsidies for artistic projects, content quotas on radio and

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[11] Munro, "Cultural sovereignty and free trade," 19; Rick Salutin, "National cultures in the age of globalization: The case of Canada," *Queen's Quarterly* 106 (Summer 1999): 211.

[12] The Cultural Industries Sectoral Advisory Group on International Trade (SAGIT), *New strategies for culture and trade: Canadian culture in a global world* (February 1999): http://www.infoexport.gc.ca/trade-culture/menu-e.asp; Salutin, "National cultures," 209.

[13] Department of Canadian Heritage, *Connecting to the Canadian Experience: Diversity, Creativity and Choice*, The Government of Canada's response to *"A Sense of Place, A Sense of Being"*, Ninth Report of the Standing Committee on Canadian Heritage (November 1999):
http://www.pch.gc.ca/mindep/misc/experience/framework-e.htm

[14] While the affirmative model of cultural policy is a recent expression, a justification for this policy has existed since the creation of the Dominion of Canada. Thomas D'Arcy McGee, one of the Canadian Fathers of Confederation, discussed the importance of encouraging domestic cultural creativity in 1867. McGee explained that regardless of the quality of Canadian books compared to those written by English or American authors, Canadian authors must be given government support. Only Canadian authors can speak to the Canadian people and "if we are to succeed with our new Dominion, it can never be by accepting a ready-made easy literature" (T. D'Arcy McGee, "The mental outfit of the new Dominion," *Montreal Gazette*, 5 November 1867, 1.). The vibrant, successful and expanding Canadian cannon is a testament to his words.

[15] Canadian Heritage, *Connecting to the Canadian Experience.*

television, and rules requiring foreign ownership.[16] Policy makers argue that without these measures, Canadian cultural products would not be able to compete with the larger and wealthier American market.[17]

The affirmative cultural policy model relies on government intervention led by the Department of Canadian Heritage, a department solely dedicated to the creation of cultural policy and the administration of programs. Canadian government participation in the cultural sector is not only limited to departmental-level policymaking. The government has sponsored Royal Commissions and special committees to investigate issues surrounding culture[18] and many of the suggestions that have emerged from Royal Commission reports have been implemented.[19] In addition, the government participates in the cultural sector through funding. For example, in book publishing the largest book award in Canada is the $25,000 Giller Prize, but this cannot compare to the over $30 million that government gives to authors and publishers. As well, the government operates a regulatory agency for broadcast licenses (CRTC), and many arms-length cultural agencies (CBC, Canada Council, National Art Gallery of Canada).

The American government argues that Canadian cultural policy is protectionist, not affirmative. Canadian policy is not about ensuring shelf-space for Canadian products, it is about providing economic aid to a weak sector that is seeking to compete at an international level.[20] In comparison to Canada, the US government takes a passive approach to cultural policy, claiming that culture is a marketable good, and thus should be treated no differently than other commodities. In the US, no government department is directly responsible for culture; rather, cultural issues fall under the mandates of the Department of State and the Office of the United States Trade Representative (USTR), and a number of independent agencies, notably the Federal Communications Commission. This logically follows from the American concept of culture, for if culture is part of the entertainment industry and no different from any other industry, it must be governed by the departments that are responsible for trade and foreign affairs.

Policy makers in Washington are quick to label Canadian policies as protectionist, to demand changes to legislation, and to threaten sanctions because they are concerned that Canadian actions might serve as a model around the world. Jack Valenti, chief lobbyist for the American Motion Picture Association, has accused Canada's cultural policies of spreading "a contagion

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[16] Canadian Heritage, *Connecting to the Canadian Experience*; Goodenough, "Defending the imaginary," 210.
[17] Goodenough, "Defending the imaginary," 235; Victor Rabinovitch, "Method and success in Canada's cultural policies," *Queen's Quarterly* 106 (Summer 1999): 219, 222, 229.
[18] *The Royal Commission on Radio Broadcasting* (Aird, 1929); *The Royal Commission on National Development in the Arts, Letters and Sciences* (Massey, 1951); *The Royal Commission on Broadcasting* (Fowler, 1957); *The Advisory Committee on Broadcasting* (Fowler, 1965); *The Federal Cultural Policy Review Committee* (Applebaum-Hebert, 1982); *The Task Force on Broadcasting Policy* (Caplan-Sauvageau, 1986)
[19] For example, the recommendation of the 1929 *Royal Commission on Radio Broadcasting* that "Canadian radio listeners want Canadian broadcasting" provided the impetus for the creation of the Canadian Radio Broadcasting Commission, the precursor to the Canadian Broadcasting Corporation (CBC).
[20] Goodenough, "Defending the imaginary," 207; Canadian Heritage, *Connecting to the Canadian Experience*.

effect."[21] The Canadian government has recognised that its special trading relationship with the United States is a precarious balancing act. It must balance the enormous benefits that come from a trade partnership with the world's largest economic power with the desire to protect indigenous heritage. In developing approaches to cultural policy, both Canada and the United States are motivated by different goals; since these goals conflict, the policy models that flow from the goals also conflict.

III. The place for culture within liberalised trade

Understanding the motivations behind each country's cultural policy approach helps explain why trade conflicts have arisen. Canada and the United States share a special trading partnership across all sectors and, as the Department of Foreign Affairs and International Trade has explained, this relationship is likely to strengthen over time. This is because "the proximity, relative ease of access, similarity of language, culture and legal systems, make the US the most accessible and practical market for Canadian exports."[22] This reality has been institutionalised through several Canada-US trade agreements. Both countries depend on each other for economic success, but as they seek closer trade relationships, they must determine whether and how the subject of culture will fit into a liberalised trading scheme.

For Canada, it would seem self-evident that since culture defines national identity, and since national identity must be upheld in the face of globalisation, culture must be granted special treatment under trade rules. Many countries around the world share the view that culture does not function according to the market rules that govern other parts of the economy.[23] American policy makers reject this assertion, arguing that since culture is an ordinary commodity, it "does not need protection because its values are universal."[24] If trade is becoming increasingly liberalised for all goods and services, the same should be true for trade in cultural industries. American negotiators have fought hard to "have cultural issues inserted into the language and logic of international trade."[25]

During the negotiations for the Canada-US Free Trade Agreement and the North American Free Trade Agreement, there was considerable debate regarding the place of culture within a liberalised trading scheme. These negotiations resulted in a compromise in the form of a "cultural exemption."[26] The cultural exemption clause was believed to be a middle-ground

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[21] Carl Wilson, "Northern exposure: Canada fights cultural dumping," *The Nation* (May 1996): 16.
[22] Department of Foreign Affairs and International Trade, *Cultural Affairs* (1999): http://www.dfait-maeci.gc.ca/arts/menu-e.htm
[23] Carr, "Trade liberalization," 24; Rabinovitch, "Social and economic," 29.
[24] Carr, "Trade liberalization," 26.
[25] Magder, "Franchising the candy store," 6.
[26] The cultural exemption's roots can be traced back to the 1985 report by *The Royal Commission on the Economic and Development Prospects for Canada* (the Macdonald Commission). This report suggested that Canada seek closer economic integration with the United States and made it clear that any free trade agreement would be subject to restrictions. Cultural activities are specifically mentioned by the Commission as one such area that "may [...] require special treatment under a general free trade agreement." The Commission explained that "Canada should

between the Canadian position that culture is non-negotiable and thus is off the table,[27] and the American view that culture should not receive any special treatment. The exemption is set out in Article 2005 of the FTA:

> 1. Cultural industries are exempt from the provisions of this agreement, except as specifically provided in Article 401 (Tariff Elimination), paragraph 4 of Article 1607 (divestiture of an indirect acquisition) and Articles 2006 and 2007 of this Chapter.
> 2. Notwithstanding any other provision of this Agreement, a Party may take measures of equivalent commercial effect in response to actions that would have been inconsistent with this Agreement but for paragraph 1.[28]

This cultural exemption was carried over to the NAFTA under Annex 2106:

> Notwithstanding any other provision of the Agreement, as between Canada and the United States, any measure adopted or maintained with respect to cultural industries, except as specifically provided in Article 302 (Market AccessCTariff Elimination), and any measure of equivalent commercial effect taken in response, shall be governed under this Agreement exclusively in accordance with the provisions of the *Canada-United States Free Trade Agreement*. The rights and obligations between Canada and any other Party with respect to such measures shall be identical to those applying between Canada and the United States.[29]

Canadian negotiators proposed this exemption because they believed it permitted continued support to cultural industries since it placed the industries and related methods of promotion outside the realm of the FTA and the NAFTA. On the other hand, American negotiators agreed to this form of exemption because it allowed their government to take retaliatory steps against Canadian actions if they hampered American trade efforts. In effect, this compromise did not fully satisfy the goals of either country.

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insist on explicit treaty provisions that authorise public funding of its cultural activities and permit affirmative discrimination for Canadian producers" so that existing subsidies and broadcasting content rules would be able to survive under a free trade regime.

[27] This point was made abundantly clear during the FTA negotiations. An advertisement placed by the Canadian government in the *New York Times* stated that:

> The protection of our distinct cultural identity is of singular importance to Canada. The government's intention to promote culture in Canada through direct financial support is not one of the things at issue in a trade negotiation. The question of whether or not specific Canadian cultural industries require special measures to assist them is a domestic issue that falls outside this sphere.
> (quoted in Magder, "Franchising the candy store," 23)

[28] Canada, *The Canada B United States Free Trade Agreement* (Ottawa: Minister of Supply and Services, 1988).

[29] Canada, *The North American Free Trade Agreement between the Government of Canada, the Government of the United Mexican States and the Government of the United States of America* (Ottawa: Minister of Supply and Services, 1992).

The widespread feeling among Canadians was that the cultural exemption in the FTA and the NAFTA was insufficient for protecting Canadian cultural sovereignty.[30] The exemption could be undermined by other articles in the agreement which eliminate duties on cultural products, facilitate cross-border communications and information flow, and lift entry restrictions for cultural participants.[31] In addition, Canadian cultural nationalists were concerned that rather than separating cultural products and industries from other commercial endeavours, the exemption actually tied them together more firmly. This is because the exemption permitted commercial retaliation to cultural-protectionist measures, suggesting that cultural projects can be matched with monetary compensation.[32] American politicians were also disappointed with the exemption. Their primary goal upon entering the FTA and NAFTA negotiations was to find a method for dealing with trade "irritants." The cultural exemption requires American complaints to be dealt with on a case-by-case basis and did not provide the sweeping inclusion of cultural products into the free trade regime that was sought by American negotiators. As the recent Canada-US conflicts demonstrate, the cultural exemption did not remove the differences between the countries.

IV. Can the Canadian and American differences be reconciled?

i. Understanding "reconciliation"

Recognising the underlying motivations for Canadian and American cultural policies and noting that the current approach of a cultural exemption is not sufficient to resolve differences, this paper weighs the potential for reconciling the policy approaches. The likelihood that the Canadian and American governments will succeed in reconciling their cultural policies depends on what is meant by reconciliation. If the goal is to harmonise Canadian and American policy interests, then reconciliation is unlikely. Ideologically, it is too important for the Canadian government to demonstrate that Canada is a distinct country with a unique and separate cultural policy from that of the United States.

Canada occupies a difficult position as the neighbour and primary trade partner with the world's most successful exporter of cultural products. Most Canadians live within a two-hour drive to the American border, can easily access American products, and are reasonably aware of American politics, history, and popular culture. Despite the close connections between the two countries, Canadians stress that there are significant ideological differences between Canada and the US. As Pierre Berton explained, "the differences between us [Canada and the United States] are both subtle and complex."[33]

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[30] Canadian Institute of Public Opinion, *Gallup Report 1988* (Toronto: Gallup Canada, Inc., 1988).
[31] Carr, "Trade liberalization," 7.
[32] Magder, "Franchising the candy store," 25; Magder, "Going global," 14.
[33] Pierre Berton, *Why we Act like Canadians: A Personal Exploration of our National Character* (Toronto: McClelland and Stewart, 1982), 104.

One manifestation of these differences is visible in the role that each country prescribes to government. In Canada, government is expected to be actively involved in daily life, as provider of universal health care, public education, and public pensions, and protector of national culture. In the United States the primary purpose of government is to uphold the individual freedoms of the population. It is precisely these philosophical differences that drive the Canadian and American governments to adopt their respective policy approaches. In order to reconcile policies, ideologies will also have to be reconciled, a far greater task that goes to the heart of sovereignty.

Canadian and American approaches to cultural policy may be irreconcilable. The Canadian government needs its distinct cultural policy approach, distinctive at least within North America, to ensure that Canada has a separate and unique expression of views and vision. However, if the goal of reconciliation is not to harmonise interests, but rather to manage differences, reconciliation may be possible.

ii. Multilateral routes toward management of cultural policy differences

In order to reduce the incidence of future conflicts in the cultural sector, there are several multilateral routes that, if followed by policy makers, may assist management of cultural policy differences. This paper examines three routes: government coalitions with like-minded countries; protection under the auspices of the World Trade Organization; and the creation of a new international instrument to deal specifically with trade in cultural products.

a. Government coalitions

In March 1998, at the first-ever Intergovernmental Conference on Cultural Development, the Canadian government launched an "International Network on Cultural Policy." The goal of this Network is to influence the global direction of cultural policy by bringing together countries that share similar views on the role of cultural policy. The Network member-countries believe that it is the duty of governments to support cultural diversity, and that globalization must not mean an end to distinct local and national cultures.[34] These guiding principles are clearly reflective of Canadian concerns and show the efforts that Canada has made to establish this initiative.

The Network can be credited with some minor successes. New dialogues have been initiated through a series of multilateral meetings and several member-countries, including Canada, France and Mexico, have adopted joint bilateral statements regarding cultural policy. Although these statements do not involve specific commitments, they demonstrate that there is shared concern over cultural policy and that Canada's cultural trade problems are not isolated. They also show that efforts are underway to identify common themes and interests that could lead to concrete developments in international treaty law.

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[34] Department of Canadian heritage, *What is the Network?* (1999): http://www.pch.gc.ca/network-reseau/what-is.htm

While the Network has succeeded in bringing together like-minded, mostly middle-power countries that might not have been able to influence policy matters if forced to act alone, the Network has been unable thus far to translate broad hopes into concrete steps. In order to convince the US to accept their position, the current member-countries of the Network need to achieve a more substantive consensus. It is not evident that the countries have reached consensus on specific elements of cultural policy; nor have they been able to bring in enough countries to create a mass of support, but the Network is still in its infancy.

b. The World Trade Organisation

The Millennium Round of WTO negotiations was launched in Seattle in November 1999, and will likely be completed by the fall of 2003. Before the Round began, many advisory meetings were held in Canada with the Department of Foreign Affairs and International Trade Standing Committee to examine potential policy goals. At one such meeting, the suggestion was made that Canada should "bring cultural policy to the WTO"[35]; the purpose would be to obtain an international framework for protecting cultural industries, and thus legitimise current Canadian policy toward national cultural industries. [36]

The Canadian trade leadership in DFAIT stated that reaching an agreement on the protection and promotion of culture was a "top priority for Canada in all trade negotiations."[37] Canadian politicians suggested that they would press for wording in the WTO Ministerial Declaration that would state that cultural industries are special and not subject to regular trade law.[38] (The Ministerial Declaration sets the agenda for the negotiations in the Round that follows.) The Department of Canadian Heritage proposed the following paragraph, as a basis for an eventual WTO statement:

> Given the essential role that cultural goods and services play in the identity and diversity of societies and the lives of individuals, members will maintain the ability to preserve, develop, and implement their cultural policies in sectors such as audiovisual, publishing and new media, for the purpose of strengthening cultural diversity.[39]

Canadian negotiators suggested that they would work with like-minded countries to develop a framework agreement to protect culture, perhaps by creating a WTO culture working group to negotiate specific language for this agreement.[40]

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[35] Robert Wolfe, *Canada's role in the WTO and in the 'Millennium Round' of negotiations*, A statement to the House of Commons Standing Committee on Foreign Affairs and International Trade (Ottawa: 2 March 1999), 12.
[36] Ibid., 9.
[37] Heather Scoffield, "Ottawa seeks global deal to end cultural trade wars," *Globe and Mail*, 20 October 1999, A1.
[38] Scoffield, "Ottawa seeks global deal," A8.
[39] Author's email correspondence with Canadian Heritage employee. 27 March 2000.
[40] Scoffield, "Ottawa seeks global deal," A8.

However, even before the Seattle Ministerial it became evident that Canadian negotiators would not hold to the negotiating goals they had publicly announced. Canadian representatives did not propose the creation of a culture working group, and cultural protection was not included on Canada's list of negotiating proposals for the WTO Millennium Round. The suspicion among some policy analysts was that Canada's trade negotiators were afraid of appearing inconsistent, by seeming to defend subsidies in the cultural sector, while opposing further subsidies in other areas, such as agriculture.[41]

The preamble of the draft of the Ministerial Declaration that was developed in Seattle made only a brief mention of culture:

> In a rapidly changing world, we owe it to all our citizens that the system should allow them to pursue their opportunities and realize their aspirations, including those pertaining to *cultural identity and diversity* particularly in adapting to the challenges of globalization and *new technologies*.[42]

Although it is difficult to imagine that this slight language will have positive consequences for managing Canada-US policy differences, it does introduce the issue of cultural identity into the context of the multilateral trading system. One view is that this mention might be used as a springboard to promote further discussion of the need for a new agreement to govern trade in cultural issues in upcoming multilateral forums. However, as the government prepared for WTO talks in Geneva this past March, it appeared that culture was going to be left off the agenda once again, "in order to have more weight and flexibility in other areas of negotiation."[43] Without a strong commitment by Canada on this subject, and without efforts to coordinate negotiating positions with like-minded countries, it is unlikely that protection for culture under the auspices of the WTO will be achieved in the near future.

c. A new international instrument

In February 1999, the Canadian Cultural Industries Sectoral Advisory Group on International Trade (the SAGIT) released a report entitled *New strategies for culture and trade: Canadian culture in a global world*, that proposed a model for a new instrument governing trade in cultural areas. The SAGIT report argued that the strength of Canada's cultural industries can be attributed to government support through subsidies, content regulations, and foreign investment rules, and that other countries provide similar levels of domestic support to their industries.[44] The SAGIT advised that if national cultures are to survive in an era of globalization, a new approach to protection must be developed.

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[41] Inside US Trade. *Canada unlikely to seek WTO working group on culture in Seattle* (8 October 1999): http://www.insidetrade.com

[42] Email correspondence with Canadian Heritage employee, italics added.

[43] Heather Scoffield, "Culture squeaks onto WTO agenda," *Globe and Mail*, 26 February 2001.

[44] SAGIT, *New strategies for culture and trade*, 6-7.

The SAGIT report suggested that international trade law should specifically permit for cultural affirmative policies of the kind that work in Canada. It outlined four options for achieving this international trade law recognition, and the third of these four options identified by the SAGIT was for Canada to lead efforts to negotiate a new international instrument to govern cultural diversity. This agreement might set the rules for policy and trade in cultural industries:

> encourag[ing] indigenous cultural expression and the need for regulatory and other measure to promote cultural diversity [and giving] countries the right to determine the measures they will use to safeguard cultural diversity.[45]

The SAGIT recommended that the Canadian government follow this option, and this suggestion was subsequently endorsed by the First Report of the Standing Committee on Foreign Affairs and International Trade,[46] and by the Ninth Report of the Standing Committee on Canadian Heritage.[47]

There are problems with the concept of a new instrument as outlined by the SAGIT report. It would be difficult to develop a new agreement without the full-participation of the United States. Given the current dominance of the US in the international system, an international agreement, particularly one addressing economic matters, cannot be completed without its the support.[48]

A second fundamental problem with this proposed instrument lies in its definition of culture. The SAGIT report describes culture as the "'brain and soul foods' that help us communicate with others."[49] The report is based on protecting amorphous concepts of culture, a distinctly Canadian understanding already proven to be in direct conflict with the American understanding of culture as the entertainment industry. In a recent, private discussion, one State Department official expressed scepticism at the proposal's chance of succeeding. He felt that the new instrument could not be developed because "culture is too difficult to define."[50] While a new instrument for governing trade in cultural industries may be the best approach for managing Canada-US trade disputes, this instrument must be based on a foundation that can be accepted by all countries.

V. The future of Canada-US trade relations in the cultural sector

Given the imbalance in power between the United States and Canada, and the fundamental divergence between the cultural policies of the two countries, it seems likely that the Canadian and American approaches to cultural policy will be best managed through a combination of

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[45] Ibid., 27.
[46] Department of Foreign Affairs and International Trade, *The FTAA: Towards a hemispheric agreement in the Canadian interest*, First Report of the Standing Committee on Foreign Affairs and International Trade (October 1999): http://www.parl.gc.ca/infocomdoc/36/2/fait/studies/reports/faitrp01/22-ch8.html
[47] Canadian Heritage, *Connecting to the Canadian Experience*.
[48] Magder, "Going global," 14.
[49] SAGIT, *New strategies for culture and trade*, 4.
[50] Author's interview with State Department official.

multilateral routes. Although none of the initiatives that have been undertaken thus far have led to viable solutions, these initiatives are encouraging and innovative. They were all developed within the past two years, and in this short time span, the Canadian government, in partnership with other countries, has made strides toward creating multilateral cooperation and a better understanding of the role for cultural promotion.

The possibility of achieving international agreement on cultural policy is conceivable if it can be shown that measures to promote cultural diversity are not disguised barriers that will affect other areas of commercial trade. An initial agreement will not be likely in a purely bilateral or trilateral setting; the imbalance of national powers, and the domestic weight of the US cultural industries, cannot be countered by one or two countries alone. Rather, it will be necessary for Canada to engage other countries to raise the importance of issues of expression, identity, diversity and cohesion.

On a bilateral level, however, it is in the interest of the US government to avoid major conflicts with Canada precisely because the possibility of an international cultural alliance is real. Every conflict triggered by American disagreements with Canada on cultural issues gives further evidence of the vulnerability of the countries. The challenge for Canada is to increase its momentum, its clarity of purpose and its substantive programs for cultural affirmation.

Feedback from Graduate Students

"I want to thank you again for a really terrific week at the Graduate Student Seminar. It was certainly one of the best experiences I have had in graduate school, and I consider it a great privilege to have participated. Thank you so very much for all the work you put into making it such a good time."

– David Jessup, University of Alaska

"Thank you again for a great conference. I have already been in touch with a number of folks."

– Christian Leuprecht, Queen's University

"I found the graduate student seminar to be an enriching educational experience. The participation of exclusively graduate students created a collegiate and supportive environment conducive to the free exchange of ideas and arguments. Furthermore, the involvement of DFAIT and DND staffers added a uniquely informative element to the seminar's discussions. The participants' understanding of their varied fields of research was enhanced by the confluence of the presenters' conceptual, and the staffers' practical, knowledge.

I would encourage all graduate students with an interest in Canadian foreign policy specifically, and international relations generally, to involve themselves in the seminar. It is an intellectually stimulating event allowing participants to engage salient, timely issues that is punctuated by political and cultural experiences only to be had in Ottawa."

– Sean McMahon, University of Alberta

"I want to thank you for everything you have done in organizing the seminar in Ottawa. It was absolutely fantastic and you did a GREAT job!"

– Ryan Doig, University of Calgary